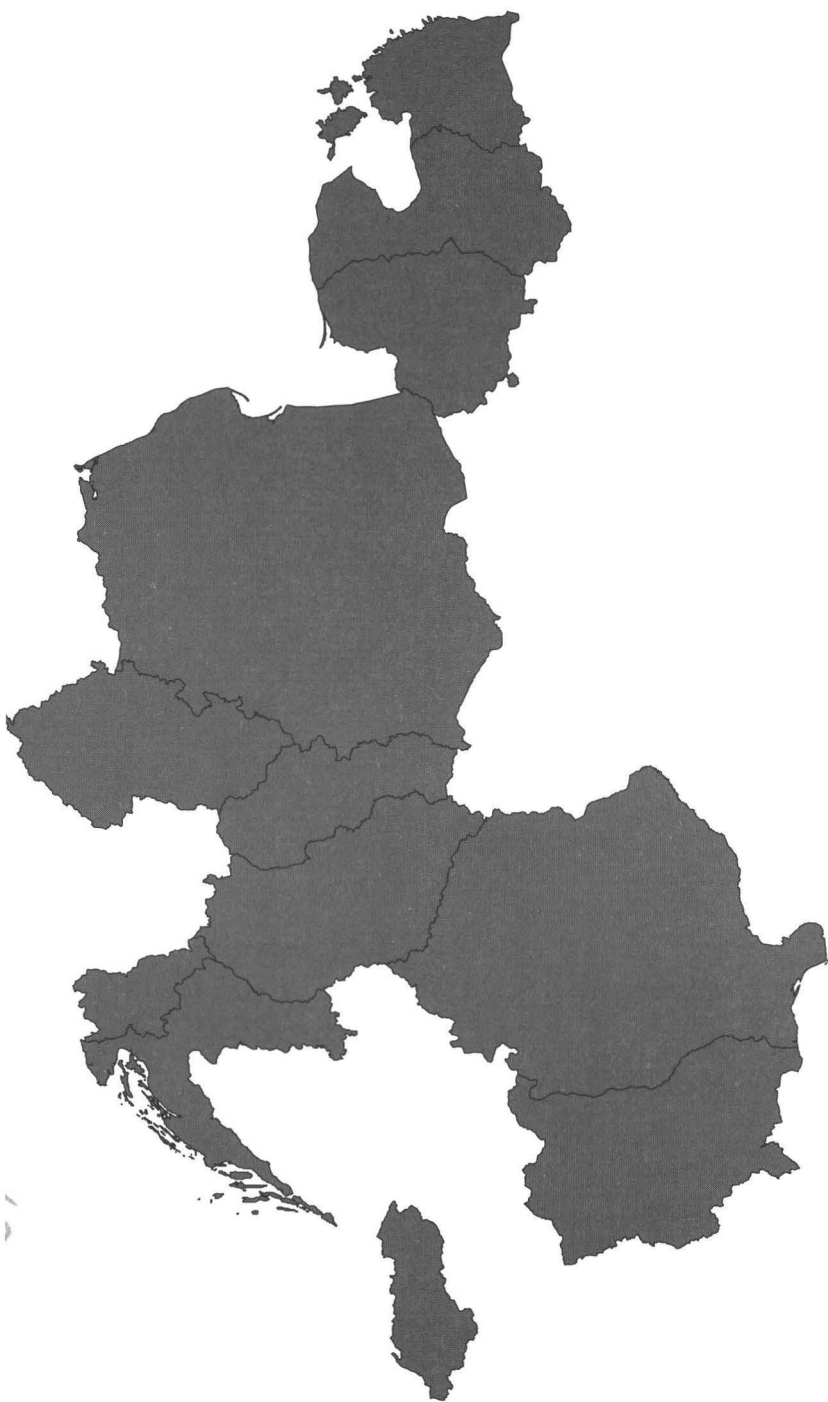




Phare



Programme and contract information 1995

Multi-country and
cross-border
programmes N°2

published by the European Commission

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Directorate General External Relations:
Europe and the New Independent States,
Common Foreign and Security Policy
and External Missions (DG IA)

Introduction

With this brochure Phare aims to provide the interested public with clear and concise summaries of the programmes to be implemented by the partner countries with Phare support. It also aims to point the business community in the direction of potential opportunities.

The programmes described in the following pages are those that apply to a number of countries simultaneously. Multi-country programmes involve several partner countries, while cross-border cooperation programmes involve a partner country and a Member State of the European Union. They have been given a favourable opinion by Phare's Management Committee and have been approved by the Commission. Phare programme and contract information brochures are published after each Management Committee meeting.

This copy contains summaries of the programmes scrutinised by the Committee at its 38th meeting held on 28 July 1995, its 39th meeting on 28 September 1995, and its 40th meeting on 27 October 1995.

Cross-border cooperation programmes aim to promote cross-border cooperation between regions of central European countries and adjacent regions of the European Union Member States. The Phare Programme on cross-border cooperation aims to help these regions to overcome specific development problems stemming from their relative isolation in the national economy and to address wider environmental problems. It aims to encourage the creation and development of cooperation networks on either side of these borders and the establishment of links between these networks and wider European networks.

Please bear in mind, however, that the publication of the business-related information in these pages does not commit the partner country or the Commission either to adhere to a fixed timetable for implementation or to follow exactly the outlines traced below. Individuals or companies wishing to obtain more detail on the contractual implications of these programmes should contact the relevant Programme Management Unit that is responsible for the implementation of the approved programme. Only individuals or companies registered and resident in European Union Member States or in Phare partner countries will be considered for implementing the tasks set out.

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What is Phare?

The Phare Programme is a European Community initiative which supports the development of a larger democratic family of nations within a prosperous and stable Europe. Its aim is to help the countries of central and eastern Europe rejoin the mainstream of European development through future membership of the European Union.

Phare does this by providing grant finance to support its partner countries through the process of economic transformation and strengthening of democracy to the stage where they are ready to assume the obligations of membership of the European Union.

In its first five years of operation to 1994, Phare has made available ECU 4,248.5 million to 11 partner countries, making Phare the largest assistance programme of its kind.

Phare works in close cooperation with its partner countries to decide how funds are to be spent, within a framework agreed with the European Community. This ensures that Phare funding is relevant to each government's own reform policies and priorities.

Phare provides know-how from a wide range of non-commercial, public and private organisations to its partner countries. It acts as a multiplier by stimulating investment and responding to needs that cannot be met by others. Phare acts as a powerful catalyst by unlocking funds for important projects from other donors through studies, capital grants, guarantee schemes and credit lines. It also invests directly in infrastructure, which will account for more Phare funds as the integration process progresses.

The main priorities for Phare funding are common to all countries, although every one is at a different stage of transformation. The key areas include restructuring of state enterprises including agriculture, private sector development, reform of institutions, legislation and public administration, reform of social services, employment, education and health, development of energy, transport and telecommunications infrastructure, and environment and nuclear safety.

For countries which have signed Europe Agreements, Phare funding is also focused on meeting the conditions required for membership of the European Community. In particular, this concerns preparation for participation in the European Union's internal market and development of infrastructure, especially in border regions.

Albania

Cross-border cooperation programme with Greece

Duration	1995
Amount	ECU 9 million
Implementing authority	Programme Management Unit Ministry of Construction and Tourism Sheshi Skenderbej Tirana Tel (+355-42) 32477 Fax (+355-42) 27879 Contact: Mr Genc Dautaj, PMU Head

Main components

Transport	ECU 6.8 million
Road improvements	
Utilities	ECU 1.7 million
Improvement of telecommunications network with Greece	
Implementation and management	ECU 500,000
Regional development study of the cross-border region	ECU 100,000
Implementation, management, evaluation	ECU 400,000

Background

The cross-border programme is of particular importance to the Albanian Government as it offers a further opportunity to open up the country and to develop closer links with its immediate European Union neighbours, Greece and Italy. The provision of an effective communications network is an essential first step in facilitating cooperation between the border regions. Shortcomings in the existing infrastructure pose major obstacles to exploiting economic opportunities in the border region.

The main focus of the programme will be on improving the road infrastructure and the telecommunications network in the region. An allocation is also made for carrying out a detailed regional development study of the border area to facilitate project selection in future years and for the management of the programme.

Commission Regulation N° 1628/94, on cross-border cooperation between the Member States and the central European countries in the framework of the Phare Programme, provides the rules for financing actions of a structural nature in border regions of central European countries sharing a common border with Member States, in harmony with the European Union structural policies and with INTERREG II in particular.

The 1995 cross-border cooperation programme will finance actions of a structural nature in border regions of Albania sharing a common border with Greece. The programme has been approved by the joint programming and monitoring committee and a framework agreement has been signed by the Albanian and Greek authorities to provide a basis for agreement on the coordination of cross-border activities. The projects all have sound cross-border impact and are coherent with the measures of the operational programmes related to INTERREG activities on the other side of the border. The programme will not only assist the regions concerned but will also stimulate development in Albania as a whole as well as the country's integration with the European Union.

Phare contribution to total cost	ECU million Phare	ECU million Total cost *
Transport road improvements	6.8	12.0
Utilities improvement of telecommunications network with Greece	1.7	12.0
Implementation and management regional development study of the cross-border region implementation, management, evaluation	0.5	0.5
Total	9.0	24.5

* Total co-financing from Phare, Albanian Government and others

Programme objectives

The programme aims to develop cross-border cooperation in the regions of Albania which share a common border with Greece, concentrating on the following fields of activity:

- transport infrastructure through upgrading and rehabilitating the Kakavija-Gjirokastra road
- utilities infrastructure, through a feasibility and technical study and investment for a submarine fibre optic cable link between Albania and Greece
- implementation, including carrying out a detailed study of the socio-economic and cross-border development of the border region and general implementation, management and evaluation activities related to the programme.

The regions which will be eligible for funding are the districts of

- Saranda
- Delvina
- Gjirokastra
- Permeti
- Kolonja
- Devolli
- Korca.

Programme description

Transport ECU 6.8 million

Upgrading and rehabilitating the Kakavija-Gjirokastra road

- upgrading to modern European design standards of a 50 km. section leading from the border crossing of Kakavija to the town of Gjirokastra, including reconstruction and widening works to make a 7 metre wide carriageway with 1 metre wide hard shoulders, associated earthworks, drainage, road signs/markings

Utilities ECU 1.7 million

Improving telecommunications

- feasibility and technical study, together with investment for a submarine fibre optic cable link connecting Greece and Albania (and later Croatia), as part of the ADRIA 1 project

Implementation/management ECU 500,000

Development study

- carrying out a detailed study of the socio-economic and cross-border development of the border region to facilitate project selection in future years

Phare contribution ECU 100,000

General

- implementation, management, audit, monitoring and evaluation activities related to the programme, including project identification and seminars for local authorities, etc.

Phare contribution ECU 400,000

Implementation

A joint programming and monitoring committee, composed of the appropriate authorities from Albania and Greece, will play the principal role in assuring overall coordination between the two Governments in the planning and implementation stages of the programme. It will be the principal forum for the joint programming of cross-border activities under Phare and INTERREG. The committee will undertake joint project selection in the context of the programme and will also monitor and coordinate the implementation of these activities.

Special working groups consisting of representatives of local/regional authorities and/or ministries and other relevant Albanian and Greek institutions may be set up to coordinate the implementation of the projects on both sides of the border.

A programme steering committee will be established to identify projects and monitor the programme as a whole, consisting of relevant ministries and local authorities.

The Department for Economic Development and Foreign Aid Coordination in the Council of Ministers will have responsibility for the overall coordination and financial management of the programme. The Department will work closely with the Ministry of Construction which will be responsible for implementing the programme; a Programme Management Unit has been established for this purpose in the Ministry.

Albania

Cross-border cooperation programme with Italy

Duration	1995
Amount	ECU 9 million
Implementing authority	Programme Management Unit Ministry of Construction and Tourism Sheshi Skenderbej Tirana Tel (+355-42) 32477 Fax (+355-42) 27879 Contact: Mr Genc Dautaj, PMU Head

Main components

Transport	ECU 7.5 million
Road improvements	ECU 3.5 million
Port improvements	ECU 4 million
Economic development	ECU 1.1 million
Infrastructure for Dürres industrial zone	
Programme implementation and management	ECU 400,000
Regional development study of the cross-border region	ECU 100,000
Programme management	ECU 200,000
Implementation, management, evaluation	ECU 100,000

Background

The cross-border programme is of particular importance to the Albanian Government as it offers a further opportunity to open up the country and to develop closer links with its immediate European Union neighbours, Italy and Greece. The provision of an effective communication network is an essential first step in facilitating cooperation between the border regions. Shortcomings in the existing infrastructure pose major obstacles to exploiting economic opportunities in the border region.

Commission Regulation N° 1628/94, on cross-border cooperation between the Member States and the central European countries in the framework of the Phare Programme, provides the rules for financing actions of a structural nature in border regions of central European countries sharing a common border with Member States,

in harmony with the European Union structural policies and with INTERREG II in particular.

The 1995 cross-border cooperation programme will finance actions of a structural nature having a cross-border impact in border regions of Albania sharing a common maritime border with Italy. The main focus of the programme will be on improving road and port infrastructure in the region. The programme has been approved by the Joint Programming and Monitoring Committee and a framework agreement has been signed by the Albanian and Italian authorities to provide a basis for agreement on the coordination of cross-border activities. The projects all have sound cross-border impact and are coherent with the measures of the operational programmes related to INTERREG activities on the other side of the border. The programme will not only assist the regions concerned but will also stimulate development in Albania as a whole and integration with the European Union.

Phare contribution to total cost	ECU million Phare	ECU million Total cost *
Transport		
road improvements	3.5	24.5
port improvements	4.0	7.2
Subtotal	7.5	31.7
Economic development	1.1	1.1
infrastructure for Dürres industrial zone		
Programme implementation and management		
regional development study of the cross-border region	0.1	0.1
programme management implementation,	0.2	0.2
management, evaluation	0.1	0.1
Subtotal	0.4	0.4
Total	9.00	33.2

* Total co-financing from Phare, the Albanian Government and others

Programme objectives

The programme aims to develop cross-border cooperation in the regions of Albania which share a common maritime border with Italy, concentrating on the following fields of activity:

- transport infrastructure, through upgrading and rehabilitating the Rrogozhine-Fier-Vlora road and strengthening the capacity of the port of Vlora
- economic development, by providing the necessary infrastructure to create an industrial zone in the Dürres port area
- implementation, including carrying out a detailed study of the socio-economic and cross-border development of the border region, and general management and evaluation activities related to the programme.

The regions which will be eligible for funding are the districts of

- Dürres
- Kavaja
- Lushnja
- Fier
- Vlora.

Programme description

Transport ECU 7.5 million

The Rrogozhine-Fier-Vlora road links the port of Vlora to the primary highway network and will eventually form part of the proposed north-south corridor linking Tirana and the port of Dürres with northern Greece. Vlora is the main point of entry for car and lorry traffic from the Italian port of Otranto and also handles traffic from Brindisi.

Upgrading and rehabilitating the Rrogozhine-Fier-Vlora road:

- works on the 84 km. section of road will involve rebuilding and widening the entire length of road to European alignment and visibility standards, with an improved cross-section on 7.5 metres wide carriageway and 1 metre wide hard shoulders, including road surfacing, new construction in flat terrain and bridge construction
- the precise scope of the investment will be decided on the basis of a feasibility study which will be conducted as part of the Greek-funded feasibility study on the north-south corridor from Rrogozhine to Kakavija.

Phare contribution

ECU 3.5 million

Strengthening the capacity of the port of Vlora:

- a two-stage project to develop a safe ferry terminal facility at the old part of the port, to handle the increase in passenger ferries associated with the government's strategy to promote the Vlora region as a tourist area
- the first phase: a detailed feasibility study and economic evaluation of both the old and new parts of the port to establish the future requirements and economic and financial returns to be expected from investment in the port
- the second phase: investment based on the findings of the feasibility study, most likely covering the costs of upgrading the main breakwater and access route to the ferry quays and of upgrading works to improve the safety and efficiency of ferry loading/unloading; the most important single item is likely to be the extension of the breakwater to improve operational safety.

Phare contribution

ECU 4 million

Economic development ECU 1.1 million

Creation of an industrial zone in the Dürres port area, the main point of entry for car and lorry traffic from the Italian port of Bari and the handling centre for the majority of marine bulk cargo to and from Albania:

- the industrial zone will operate as a tax-free export zone, with no import duty on raw materials or export charges on finished products, and may include warehousing and distribution centres for imported goods
- the proposed infrastructure for the zone, on the site of a reclaimed sea inlet, will comprise a new access road, improvement of an existing access road, new water, electricity and telephone services and new foul and surface water outfalls.

Programme implementation and management

ECU 400,000

Support for

- a detailed study of the socio-economic and cross-border development of the Albanian-Italian cross-border region to identify further projects for all measures

Phare contribution

ECU 100,000

- additional implementation requirements, including organisation of the joint programming and monitoring committee, project identification and other activities such as seminars for local authorities.

Phare contribution

ECU 300,000

Implementation

A joint programming and monitoring committee, composed of the appropriate authorities from Albania and Italy, will play the principal role in assuring overall coordination between the two Governments in the planning and implementation stages of the programme. It will be the principal forum for the joint programming of cross-border activities under Phare and INTERREG. The committee will undertake joint project selection in the context of the programme and will also monitor and coordinate the implementation of these activities.

Special working groups consisting of representatives of local/regional authorities and/or ministries and other relevant Albanian and Italian institutions may be set up to coordinate the implementation of the projects on both sides of the border.

A programme steering committee will be established to identify projects and monitor the programme as a whole, consisting of relevant ministries and local authorities.

The Department for Economic Development and Foreign Aid Coordination in the Council of Ministers will have responsibility for the overall coordination and financial management of the programme. The Department will work closely with the Ministry of Construction which will be responsible for implementing the programme; a Programme Management Unit has been established for this purpose in the Ministry.

Baltic Sea region

Cross-border cooperation programme

Duration	1995
Amount	ECU 14 million
Implementing authority	<p>Estonia: National Aid Coordination Unit Ministry of Finance Suur-Ameerika Street 1 EE-0100 Tallinn Tel (+372-2) 244 36 00, 646 01 06 Fax (+372-2) 631 78 11 Contact: Mrs Bettina Rafaelsen, Coordination Adviser</p> <p>Latvia: National Aid Coordination Unit Ministry of Finance Smilsu Street 1 LV-1919 Riga Tel (+371-2) 224533 Fax (+371-78) 20010 Contact: Mr Armands Eberhards, Director</p> <p>Lithuania: National Aid Coordination Unit Ministry of Foreign Affairs J Tumo-Vaizganto 2 LIT-2600 Vilnius Tel (+370-2) 618537, 610849 Fax (+370-2) 618689, 626818 Contact: Mrs Rasa Kairienė, Head Ms Ausra Krygeryte, Technical assistance Mr Jonathan Hargreaves, Adviser</p> <p>Poland: Department for Transborder Cooperation Council of Ministers Ujazdowskie 1/3 PL-00-950 Warsaw Tel (+48-2) 694 75 87 Fax (+48-2) 694 73 79, 628 28 05 Contact: Mr Robert Grabowski, Head</p>

Main components

Transport

Port development (Estonia, Latvia)	ECU 1.65 million
Airport passenger terminal development (Poland)	ECU 600,000
Masterplan for transport links (Estonia)	ECU 120,000

Environment

Waste water treatment facilities (Estonia, Lithuania, Poland)	ECU 3.512 million
Waste management systems (Poland)	ECU 67,000
Hazardous waste storage facilities (Latvia)	ECU 1.2 million
Monitoring of coastal zone (Poland)	ECU 80,000

Utilities and municipal infrastructure development

Optic fibre cable laying (Lithuania)	ECU 2.7 million
Railway/road viaduct reconstruction (Poland)	ECU 170,000
Gas provision installation (Poland)	ECU 200,000
Historical buildings renovation (Poland)	ECU 250,000

Economic development

Business development	
pig farming (Estonia)	ECU 1.05 million
Eurohouse international partnership centre (Estonia)	ECU 120,000
annual craft fairs (Poland)	ECU 20,000
Tourism development	
bay cleaning and yachting harbour development (Estonia)	ECU 900,000
masterplan for Kärđla area (Estonia)	ECU 129,000
Infotur tourist information network (Poland)	ECU 337,000
eco-tourism infrastructure for Dzierzgon (Poland)	ECU 50,000
common methodology analysing tourist traffic in four countries (Poland)	ECU 10,000
Regional development	
cooperative framework for regional development (Latvia)	ECU 100,000

Human resources

Adaptation centres for disadvantaged groups
(Poland) ECU 140,000

Implementation and management

Management, monitoring, audit,
evaluation ECU 634,000
Regional development studies ECU 25,000

transferring know-how and expertise on regional development policies, as well as encouraging contacts and networking in fields such as business support, tourism development, education and training. The component for Poland includes the preparation of regional development studies to lay a strategic base for preparing a more integrated programme in the future.

Phare contribution to total cost	ECU million Phare	ECU million Total cost *
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Estonia		
port development	0.270	0.301
environment	0.300	0.350
economic development	2.199	3.095
implementation/ management	0.231	0.231
Subtotal	3.000	3.977
Latvia		
transport	1.500	2.600
environment	1.200	1.950
economic development	0.100	0.140
implementation/ management	0.200	0.200
Subtotal	3.000	4.890
Lithuania		
utilities and municipal infrastructure		
development	2.700	3.734
environment	1.200	2.286
implementation/ management	0.100	0.100
Subtotal	4.000	6.120
Poland		
transport	0.600	4.800
environment	2.159	8.309
utilities and municipal infrastructure	0.620	0.830
economic development	0.417	0.917
human resources	0.140	0.200
implementation/ management	0.039	0.039
regional studies	0.025	0.055
Subtotal	4.000	15.150
Total	14.000	30.137

* Total co-financing from Phare, national governments and others

Background

Commission Regulation N° 1628/94, on cross-border cooperation between the Member States and the central European countries in the framework of the Phare Programme, provides the rules for financing actions of a structural nature in border regions of central European countries sharing a common border with Member States, in harmony with the European Union structural policies and with INTERREG II in particular.

The 1995 cross-border cooperation programme will finance actions of a structural nature in border regions of Estonia, Latvia, Lithuania and Poland sharing a sea border with Germany, Denmark, Sweden and Finland. The programme has been designed following a series of multilateral meetings involving representatives of the national ministries of the relevant countries. These meetings identified the main priority axes which are identical in all the individual Phare countries' programmes. The projects selected comply with the selection criteria specified in the Multi-annual Indicative Programme, on the basis of their cross-border impact, economic viability, internal rate of return based on a cost-benefit analysis and environmental impact in particular.

The 1995 cross-border programme reflects the specific national priorities of Estonia, Latvia, Lithuania and Poland, which all emphasise the predominant need to reconstruct transport links, such as the main ports in the area, to address the problem of pollution in the Baltic Sea and to improve municipal infrastructure. Therefore, infrastructure-related measures in the areas of transport, environment and economic development account for over 90 per cent of the resources available under the programme. All the projects selected have a strong cross-border and a wider European impact and provide important prerequisites and links for successful cooperation at regional and local levels.

In addition, the programme includes some 'soft' projects with a greater direction towards developing rural regions, through promoting new economic activities,

Programme objectives

The programme aims to develop cross-border cooperation in border regions of Estonia, Latvia, Lithuania and Poland sharing a sea border with Germany, Denmark, Sweden and Finland, and is designed in particular to

- improve communication, infrastructure and transport links within the Baltic Sea region, in particular to complement the development of the 'Via Baltica' east-west European transport network
- protect the environment and reduce pollution levels, particularly in the Baltic Sea
- encourage cross-border cooperation as a mechanism to maximise the growth potential of the region as a whole and to complete the transition to a mature market economy
- stimulate new and support existing cooperation between local and regional authorities in the countries of the region
- support activities to facilitate the preparation of the Baltic republics and Poland for accession to the European Union.

The following priorities have been agreed:

- transport, including border-crossing improvements
- environment
- utilities and municipal infrastructure
- economic development
- human resources
- technical support and programme management.

The following regions will be eligible for funding:

- Estonia: the counties of Ida Viru, Lääne Viru, Harju, Lääne, Hiiu, Saare, Pärnu and parts of Viljandi; these include counties on the mainland adjacent to the Baltic Sea as well as the islands (Hiiumaa, Saaremaa)
- Latvia: all coastal regions bordering eligible regions in other Baltic sea countries, including Liepāja, Ventspils, Talsi, Jurmala, Riga city and region and Limbazi
- Lithuania: seven municipalities (cities and regions) forming part of the Klaipėda district, including the cities of Klaipėda, Palanga, Neringa and the regions of Klaipėda, Kretinga, Skuodas and Silute
- Poland: the five voivodships bordering the Baltic Sea, namely Szczecin, Koszalin, Slupsk, Gdansk and Elblag.

Programme description

Estonia

Transport

ECU 270,000

Port development

- a feasibility study to assess the infrastructural problems facing the port of Pärnu, covering the various development/investment options available, with a view to reconstructing the port as the regional 'power centre' of the south and south-western part of Estonia

Phare contribution

ECU 150,000

Improvement of transport network

- studies, as part of the Saaremaa county government/ Islands Lines Ltd masterplan, to overcome the infrastructural and logistical traffic problems of western Estonia and its islands, with concentration on internal communications (including a development plan and logistics for road, ferry and air traffic, and preferences between the various means of transport) and external communications (including a development strategy for international traffic, a statistical analysis on potential tourist numbers and an investigation of existing airports and harbours)

Phare contribution

ECU 120,000

Environment

ECU 300,000

Waste water treatment

- construction of a small bacteriological treatment plant and 1.1 km. pipeline at Hullo, the main town of the Island of Vormsi, by implementing a maintenance programme for the island's septic tanks and building a series of small-scale sewage bio-purification installations

Phare contribution

ECU 300,000

Economic development

ECU 2.199 million

Business development

- ecological and economic improvements to two large pig farms in Pärnu and Viljandi, through installing new feeding systems, improving slurry handling systems, piloting biological filtration plots, providing foreign breeding material/equipment and offering specialised training on technical aspects of pig breeding and meat quality and in technical and management skills generally

Phare contribution

ECU 1.05 million

- establishment of Eurohouse, an international partnership centre on the island of Saaremaa, sponsored by the subregions of Estonia, Finland and Denmark, designed to act as an information and coordination centre for the eastern region of the Baltic Sea; support will be provided for investment to renovate the office and purchase communication facilities and office

equipment and for consultancy and expertise on audits, legal aid, technical know-how and supervision
Phare contribution ECU 120,000

Tourism development

- cleaning Kuressaare bay of polluted sediment by deepening the bay and constructing a yachting harbour, through building two moles, quays and installing floating quays for sailing boats and small craft

Phare contribution ECU 900,000

- masterplan for developing the Kärđla area, including preparing a land use and development plan meeting European standards and the requirements of a modern economy, evaluating Kärđla's new planning and building arrangements and training local specialists in the field of town planning

Phare contribution ECU 129,000

Implementation and management ECU 231,000

Management, monitoring advice, audit and evaluation

Phare contribution ECU 231,000

Latvia

Transport infrastructure ECU 1.5 million

Port development

- reconstruction of Riga port, including raising the embankment of the head part of the eastern breakwater, rebuilding a demolished part of the breakwater, building a cable-pipe duct to carry power to the lighthouse from the coastal power station and building a 4.5 metre wide road to improve access to the root part of the breakwater

Phare contribution MECU 1.5 million

Environment ECU 1.2 million

Waste management

- action to ensure the safe storage, collection, transportation and disposal of hazardous waste, based on the recommendations of feasibility studies which are currently being conducted with the support of Phare and the Danish Environmental Protection Agency

Phare contribution ECU 1.2 million

Economic development ECU 100,000

Regional development

- support for the Ministry of Environment and Regional Development in establishing a framework for regional policy and appropriate institutions, with concentration on study visits to other areas in the European Union and central European countries, training seminars and workshops for national, regional and local agents on regional development policy and detailed consultations and analyses of socio-economic indicators for a selected pilot

region with a view to identifying relative needs and development potential

Phare contribution ECU 100,000

Implementation and management ECU 200,000

Management, monitoring advice, audit and evaluation

Phare contribution ECU 200,000

Lithuania

Environment ECU 1.2 million

Waste water treatment

- completion of the Palanga biological waste water treatment plant, including a sludge dewatering plant, pipelines, a pumping station and secondary sedimentation and aeration tanks

Phare contribution ECU 1.2 million

Utilities and municipal infrastructure

development ECU 2.7 million

Telecommunications

- modernisation of the telecommunications system by laying a fibre optic cable from Klaipeda to Marijampole and installing associated transmission equipment to complete a ring circuit between Klaipeda and Kaunas and so provide two alternative routes for international communications from Latvia through Lithuania and Poland

Phare contribution ECU 2.7 million

Implementation and management ECU 100,000

Management, monitoring advice, audit and evaluation

Phare contribution ECU 100,000

Poland

Transport ECU 600,000

Air transport

- building and installation works involved in constructing a new two-level 5,000 square metre passenger terminal in Gdansk Rebiechowo to cater for some 500,000 domestic and international passengers per year

Phare contribution ECU 600,000

Environment ECU 2.159 million

Waste water treatment

- construction of waste water treatment facilities for the city of Hel to treat municipal waste water and industrial waste water from the local fishery harbour

Phare contribution ECU 660,000

- modernisation of the waste water treatment plant at Mielno-Uniesc and construction of a gravitation-pressure sanitation system to collect and transport waste water to the plant

Phare contribution ECU 630,000

- completion of a sewage treatment plant and main drain in Tczew to treat industrial and municipal waste
Phare contribution ECU 430,000

- construction of a biological sewage treatment plant to treat municipal waste and of supply collectors for the city of Sztum

Phare contribution ECU 292,000

Waste management

- development of a waste management system for Slupsk, involving the separation and collection of recyclable materials, promotion of the scheme amongst the public, including training in Denmark and preparation of structural analyses to determine the composition of municipal waste to enable more detailed planning of recyclable materials recovery

Phare contribution ECU 67,000

Monitoring of environmental indicators

- monitoring of the Polish coastal zone through field expeditions, chemical analyses, biological investigations and processing of results to determine meteorological conditions, natural resources (including fish stocks), sources of pollution and quality of the maritime environment; provision of supplementary equipment

Phare contribution ECU 80,000

Utilities and municipal infrastructure development

ECU 620,000

Gas provision

- installation of gas infrastructure for the commune of Bedzino in Koszalin municipality, through building a medium pressure gas piping network some 9,500 metres long

Phare contribution ECU 200,000

Reconstruction of municipal infrastructure

- reconstruction of the railway viaduct in Sopot which carries the N27 highway, connecting the frontier region with the ports of Gdansk and Gdynia, over the main Gdansk-Gdynia railway; support will cover major repair works, including exposing the structural concrete bridge deck, strengthening the load-bearing surfaces, replacing bridge bearings, reinforcing the underside of the bridge deck and abutments and installing a new damp-proof membrane, rain water drainage systems and road barriers

Phare contribution ECU 170,000

Urban renewal

- refurbishment of historical buildings in Elblag, in particular supporting the cost of works, building materials and geological investigations involved in rebuilding tenement houses in the old town to increase the space of the public library by 1,500 metres to cater for 53,000 volumes containing information on the region

Phare contribution ECU 250,000

Economic development

ECU 417,000

Business development

- organisation of annual craft fairs in Gdansk

Phare contribution ECU 20,000

Tourism development

- development of the Infotur tourism information network to create an efficient and uniform information system on tourism and investment possibilities, and promote cooperation among local firms; support will cover the cost of training materials and equipment needed for staff training and of the purchase of a computer network, software, equipment and promotional materials

Phare contribution ECU 337,000

- development of eco-tourism infrastructure in the municipality of Dzierzgon for organising conferences with cross-border partners and for tourism development, with concentration on adapting part of the primary school as a conference-training centre and recreation and sports centre

Phare contribution ECU 50,000

- preparation of a common methodology for analysing tourist traffic in Germany, Poland, Lithuania, Latvia and Estonia to enable the organisation of frontier surveys of tourism to be carried out jointly and more cost-effectively, and to facilitate cost-effective planning of tourism product development in the region, international marketing and tourism investment proposals

Phare contribution ECU 10,000

Human resources

ECU 140,000

Disadvantaged groups

- establishment of two adaptation centres for the disabled, especially the mentally disabled, and their families, transferring the Scandinavian experience, including support for the costs of training thirty people, organising four small seminars, renovating and equipping two adaptation centres with furniture, office and workshop equipment and carrying out certain administrative tasks

Phare contribution ECU 140,000

Studies, implementation and management

ECU 64,000

Regional planning

- preparation of a comparative analysis of the regional development of Denmark, Northern Poland and the German länder of Schleswig-Holstein and Mecklenburg-Vorpommern to establish bilateral cooperation on regional planning; including developing up-to-date strategic concepts of the spatial development of the regions for presentation to a regional conference, publishing the resulting paper, organising two-week exchange scholarships and a symposium on the project results

Phare contribution

ECU 25,000

Implementation/management

Management, monitoring advice, audit and evaluation

Phare contribution

ECU 39,000

Implementation

A joint programming and monitoring committee, composed of delegates from Estonia, Latvia, Lithuania, Poland, Denmark, Finland and Germany, will play the principal role in assuring overall coordination between the four governments in the planning and implementation stages of the programme. It will be the principal forum for the joint programming of cross-border activities under Phare, INTERREG II and European Union Member State bilateral programmes. The committee will undertake joint project selection in the context of the programme and will also monitor and coordinate the implementation of these activities.

Mechanisms for implementing, monitoring and evaluating the programme will be

- for Poland, the Programme Management Unit at the Department for Trans-border Cooperation in the Council of Ministers
- for Estonia, Latvia and Lithuania, the Central Financial Contracting Units, while responsibility for the overall coordination of the programme will lie with their respective national aid coordination units.

Bulgaria

Framework programme for the approximation of Bulgarian law to European Union law

Duration	to 31 December 1997
Amount	ECU 2 million
Implementing authority	Ministry of Justice
Contracting authority	Commission of the European Communities Tel (+32-2) 295 2910 Fax (+32-2) 299 1666

Main components

Expert advice on legislative approximation	ECU 900,000
Legal training	ECU 600,000
Documentation, translation and equipment	ECU 450,000
Evaluation and audit	ECU 50,000

Background

Bulgaria needs to develop an appropriate legal framework, designed in such a way as to serve both the transformation of the Bulgarian economy to a market economy and its gradual integration into the European Union.

The Europe Agreement between Bulgaria and the European Union came into force on 1 February 1995. Under the Agreement, Bulgaria is required to approximate its legislation to that of the European Union. The Government has already taken various steps to implement this objective. In March, the Council of Ministers set up a Government Committee on European Integration as well as an inter-ministerial Coordination Commission on European Integration. A working group has been established under the Coordination Commission to deal specifically with the approximation of legislation.

A joint sub-committee for the approximation of laws was set up under the Europe Agreement to select priority areas for approximation.

The overall transformation of the legal system of Bulgaria in accordance with the approximation process

and the reform of a number of crucial economic legislative areas will be a lengthy exercise, encompassing not only existing European Union laws but also future developments. The need to transform legal traditions and conceptions must also be taken into account if the process is to succeed over the medium term.

Programme objectives

The main objective of the programme is to

- support the Government's policy for European integration by furthering the process of legislative approximation in line with the legislation of the European Union.

The immediate objectives of the programme are to

- support a comprehensive and coherent programme for approximating Bulgarian law to European Union law
- provide advice and training to ministry and National Assembly officials on European legislation and its application in Bulgaria
- provide literature and documentation on European Union legal matters.

Programme description

Priority areas

Support will focus on key areas of the Europe Agreement signed between Bulgaria and the European Union, in particular Article 70, and other areas connected with the approximation process and the adaptation of the Bulgarian legal system to the needs of a market-oriented economy.

The following areas are priorities:

- financial services legislation, for example banking and insurance legislation and investment fund regulations
- commercial law, for example company law, auditing and accounting rules, legislation on state-owned enterprises, bankruptcy law, industrial law and contractual law
- trade law, for example customs legislation and rules related to the free movement of goods and the removal of technical barriers, rules on the protection of health and life of humans, animals and plants, and dumping rules
- labour law and social protection, for example rules on the relationship between employers and employees, rules on worker protection, pension and social insurance rules

- other fields within the framework of the Europe Agreement
- other legislative fields selected in the framework of the joint sub-committee on approximation of laws, set up under the Europe Agreement.

In addition, the following will be covered:

- selected areas of European Community law
- constitutional/administrative law
- international law.

Further priorities will be defined by the Ministry of Justice and the Working Group on the approximation of laws, set up by the Bulgarian Government under the auspices of the Government's inter-ministerial Coordination Commission on European Integration.

Nature of support

Expert advice on legislative approximation

ECU 900,000

General legal support and support on legislative planning will be provided to facilitate the approximation process, with concentration on

- the definition of priorities with regard to approximating Bulgarian law with European Union law, based on the decisions taken in the framework of the sub-committee on approximation of laws set up under the Europe Agreement
- the overall design of the legal system concerning the promotion and regulation of economic activities
- the organisational and administrative measures needed to support the approximation process.

Legal support will also be provided on specific draft texts and to ensure compatibility with European Union rules, with concentration on

- in-depth legal support in drafting new laws and regulations and active support to the officials responsible for approving these
- consultations on draft texts to appraise their compatibility with European Union law and their consistency with the Bulgarian legal system.

Legal training

ECU 600,000

Legal training will be provided, including training periods abroad, for the following target groups:

- government and National Assembly staff responsible for drafting and examining legislation (policy decision-makers may also receive a familiarisation seminar)

- legal officials in the most relevant sections of the state administration, in particular the ministries of foreign affairs, justice, economy and finance, as well as the legal and economic services of the National Assembly, judges and other lawyers
- legal experts working for chambers of commerce or other institutional contact points for economic agents, so that they can inform and advise economic agents on new legislation.

Documentation, translations and equipment

ECU 450,000

The costs of the following will be funded:

- documentation and books, including both official European Union legal texts and documents and secondary literature on European Union law
- translations of official European Union documents into Bulgarian, where necessary
- hardware and software for classifying legal documents, creating a database and using existing CD-ROMs on European Union legislation.

Implementation

The programme will be implemented by means of a framework contract with a law firm or consortium of law firms from the Member States, which will be signed by the European Commission on behalf of the Bulgarian Government following a tender procedure in accordance with normal rules and procedures.

The Ministry of Justice and its Legislative Council are responsible for the overall coordination of the legislative approximation process.

Bulgaria

Transport programme

Duration	to 30 June 1999
Amount	ECU 20 million
Implementing authority	Programme Management Unit Ministry of Transport 9 Vassil Levski Street Sofia 1000 Tel (+359-2) 881203, 870593, 843 4397 Fax (+359-2) 885094, 870593, 801132 Contact: Mr Dimitar Zoev, PMU Head Mr David Shelley, External Adviser

Main components

Railway restructuring co-financing project	ECU 15 million
Technical expertise	ECU 1.1 million
Signalling equipment	ECU 8.9 million
Telecommunications equipment	ECU 5 million
Technical expertise for Sofia urban transport	ECU 1.9 million
Technical support for European integration	ECU 3.1 million
Institutional support	ECU 1.8 million
Pre-investment studies	ECU 600,000
Varna Maritime Training Centre	ECU 200,000
Programme Management Unit	ECU 440,000
Audit, monitoring and evaluation	ECU 60,000

Background

Bulgaria stands at the crossroads of the Balkans, between routes linking the European Union with Turkey and the Middle East and with Ukraine and Central Asia. This means that the development of the Bulgarian transport sector is particularly important, not only for Bulgaria itself but for the rest of the European Union as well.

The Europe Agreement signed by Bulgaria and the European Union entered into force on 1 February 1995. This requires the strengthening of cooperation to enable Bulgaria to restructure and modernise its transport sector in line with European Union standards. The European Council at Essen in December 1994 called for the need to strengthen support for European integration of the

associated central European countries. The Ministry of Transport has already commenced a programme for harmonising legislation; these efforts were supported by the 1992 and 1993 Phare transport programmes, which allocated nearly three-quarters of a million ECU for this purpose. Draft legislation has now been drawn up for the rail, road and maritime sectors. However, a new regulatory and management structure is needed to implement these changes.

The Copenhagen Council in June 1993 made funds available for co-financing key infrastructure investment in the central European countries. Investment in the railways in Bulgaria is vital to support the Government's restructuring programme and to make the most of the substantial infrastructure assets possessed by the Bulgarian Railway Company. The Government has demonstrated its commitment to restructuring the railways but budgetary limitations mean that it is unable to find the necessary funds to finance its full contribution to the European Bank for Reconstruction and Development (EBRD)/World Bank railway restructuring project, and requires Phare support for this.

The public transport service in Sofia has suffered greatly in recent years from a lack of funds for maintenance and spare parts. This situation has been exacerbated by poor management and general inefficiency. Poorly maintained and aged vehicles are also contributing to the city's pollution problem. Urban transport in the city needs to be raised to European Union standards of safety, efficiency, management and finance. Phare has already funded a pre-feasibility study under the 1992 transport programme to determine how best to improve the situation. The Brussels Regional Development Agency and the EBRD have also been examining the issue.

Programme objectives

The two main objectives of the programme are to

- prepare Bulgaria's transport legislation, institutions, regulatory systems, human resources and infrastructure for accession to the European Union
- support market reforms in the transport sector as a contribution towards overall economic development.

The specific objectives of the programme are to

- help establish an independent market-oriented railway network which is financially viable and self-sustaining
- improve the quality, cost efficiency and environmental standards of public transport in Sofia, and in Bulgaria in general

- help prepare transport sector legislation, regulations and public sector management standards which are consistent with European Union legislation and practice
- encourage further significant investments in transport sector infrastructure, by government, international financing institutions and the private sector
- develop safety standards and skills in the maritime sector in line with European Union standards and practices
- develop management skills and financial responsibility within the Ministry of Transport and ensure the proper use of Phare funds.

Programme description

Railway restructuring co-financing project

ECU 15 million

The EBRD and the World Bank have worked with the Bulgarian Railway Company (BDZ) and the Bulgarian Government to develop a comprehensive restructuring programme to enable the railway to run on commercial lines. The restructuring project aims to introduce more cost and management efficiency in operations, reduce BDZ's financial burden on the national budget and promote sound pricing policies. It is intended as a first step towards an independent market-oriented railway, which is financially viable and self-sustaining.

Phare has maintained close touch with the EBRD throughout the development of the project and has helped finance its preparation, both through the Bangkok Facility and through the 1993 Phare transport programme for Bulgaria, out of which nearly half a million ECU has been spent on technical support for restructuring BDZ's finances and accounting. Phare is also supporting the project under the 1994 transport programme through technical support for the project management team.

The restructuring process is to be supported by investment aimed principally at rehabilitation rather than expansion of the railways. The project is eligible for financing under the Copenhagen co-financing scheme. Not only is it co-financed with international financing institutions but it is also a project of European Community interest. The main lines which are to be rehabilitated are on trans-European network corridors, and the Bulgarian railway network as a whole is of vital importance for the European Union's transport connections with southern and eastern Europe and the Middle East.

The total project investment amounts to ECU 225.2 million, of which the IBRD will finance ECU 71.9 million, the EBRD 34 million, the Export Credit Agency 9.1 million, BDZ 95.2 million and Phare 15 million.

Phare's contribution will cover the following items:

- procurement of signalling and telecommunications equipment, to raise BDZ to European Union standards (signalling equipment ECU 8.9 million; telecommunications equipment ECU 5.0 million)
- technical expertise for the project management team (ECU 1.1 million).

Technical expertise for Sofia urban transport

ECU 1.9 million

Following studies financed by the 1992 Phare transport programme for Bulgaria, the Brussels Regional Development Agency and the EBRD, the EBRD is considering making a loan for the procurement of spare parts and equipment to rehabilitate urban transport in Sofia. Phare will complement the proposed loan with activities to improve the city's public transport management which will act as models for public transport management in other large towns in Bulgaria.

Phare's activities will concentrate on

- advice to the municipality of Sofia on traffic management and the improvement of tram infrastructure, possibly including studies on city centre parking and traffic movement along main bus and tram routes, with recommendations for improvements to safety, pedestrian conditions and the flow of public transport
- advice and training for the municipality on public transport policy and management, possibly including advice on route network restructuring to match supply more accurately to demand; advice may also be provided on tendering, negotiating and contracting of bus routes and on formulating and negotiating management agreements with Sofia City Transport Company and other operators
- advice and training for Sofia City Transport Company on organisation, management and operation, possibly including advice to improve cost control and revenue collection, develop performance measures and adopt best practice in maintenance.

Other activities which may be funded are

- technical support for managing the EBRD project, if the loan is approved
- technical support for preparing a transport master plan for the Sofia conurbation, to help plan future investments in public transport and transport infrastructure
- the incremental costs of more environmentally-friendly bus engines
- certain small-scale pilot projects which may be needed to prepare investment for upgrading transport operations and infrastructure.

Technical support for European integration

ECU 3.1 million

Institutional support

ECU 1.8 million

Support will be provided for preparing further legislation and necessary amendments to bring Bulgarian transport law into line with European Union standards. Activities will include

- drafting legislation and drafting some of the accompanying regulations needed to implement the new legislation
- seminars for politicians and high-level officials to explain the policies behind the legal drafting, together with more in-depth training for officials at the working level
- training in European Union transport law for the Ministry and also for lawyers and students, to build up understanding and help develop a body of people who can provide competent advice in this field.

Work on the real implementation of European Union legislation and improving standards in specific transport sectors will also be supported with technical expertise, for example on

- detailed implementation of the policies established by the new civil aviation law, including airline access to airports
- follow-up work to the new road traffic law, to help the Ministry of Transport cope with issues such as the management of road vehicle traffic (for example vehicle licensing), safety and environmental standards, dangerous goods transport, safety limits on drivers' hours, environmental and noise limits, weight limits and cabotage.

Support may also be provided to the General Roads Administration for managing the road infrastructure through computerisation of the Administration's road management system, aimed at

- recording data on the condition of primary roads
- establishing a system for regular collection of data
- defining criteria for selecting those sections of road which most urgently need maintenance.

Pre-investment studies

ECU 600,000

Investment studies in key areas of the transport sector will be prepared, in so far as there is clear evidence that investors are interested in using the project to help them design their investment. Projects will also normally include an element of advice or training in management and in prioritising investment. Indicative projects for funding include pre-investment studies on

- combined transport terminals for Sofia and Dimitrovgrad
- a by-pass for Sofia on the north-south route
- the development and management of international services on the Greece-Bulgaria-Romania railway line.

Varna Maritime Training Centre

ECU 200,000

Support will be provided to the Varna Maritime Training Centre, which was established in 1974, in the form of training, training of trainers and procurement of training equipment, including simulators. Concentration will be on training to

- raise safety practices in the maritime sector up to European Union standards
- develop marketing and management skills for commercial maritime operations.

Programme Management Unit

ECU 440,000

Technical expertise will be provided to the Programme Management Unit, and a small training budget and small operational budget will be funded.

Implementation

Overall responsibility for the programme will lie with the Phare Programme Management Unit in the Ministry of Transport, which will have financial and management responsibility for all aspects of the programme. The Unit will be responsible for launching and evaluating all tenders, contracting and payments, under the supervision of the Delegation of the European Commission in Bulgaria.

The BDZ railway restructuring project will be subject to a different arrangement. A project management team will be established within BDZ to manage all aspects of the project, including those financed by the World Bank, the EBRD, Phare and BDZ itself. Technical expertise will be provided to the team in the form of a long-term adviser(s) and short-term expertise, as required, and will be financed by Phare, with tendering undertaken by the Programme Management Unit at the Ministry of Transport according to normal Phare tendering procedures. As regards the equipment to be procured by Phare, the project management team will be responsible for preparing the detailed specifications and tender documentation, while the Programme Management Unit at the Ministry will be responsible for the actual tendering process, the management of contracts and payments according to normal Phare procedures.

Hungary

Cross-border cooperation with Austria

Duration	1995-1999
Amount	ECU 7 million
Implementing authority	Programme Management Unit Department for Regional Planning Ministry of Environment and Regional Policy Fö u. 44-50 1011 Budapest 1 Tel (+36-1) 201 4046 Fax (+36-1) 201 4046 Contact: Mr Ottó Balogh, Head of Section

Main components

Regional planning and development	ECU 747,500
Cross-border regional studies and planning	ECU 59,000
PMU and sub-office	ECU 688,500
Infrastructure	ECU 2.21 million
Development of transport infrastructure	ECU 2.21 million
Economic development and cooperation	ECU 2.535 million
Cross-border industrial/technology parks,	
SME cooperation	ECU 1.305 million
Tourism development	ECU 1.23 million
Human resources	ECU 431,000
Basic and further training	ECU 65,000
Cooperation in education	ECU 366,000
Environment and nature protection	ECU 721,000
Environment related investments	ECU 278,500
Development of nature reserve areas	ECU 442,500
Small projects fund	ECU 360,000
Cross-border activities not exceeding ECU 10,000	ECU 360,000

Background

The Hungarian and Austrian Governments attribute great importance to supporting the process of cross-border cooperation, in particular in the immediate border regions. Meetings at a local or regional level take place as a matter of course and there is a tradition of joint activities in the border region.

The main focus of the programme will be on regional planning and development, infrastructure improvements, economic development and cooperation, human resources development and environment and nature protection. A small projects fund will also be established as a flexible mechanism for financing small projects with a cross-border impact.

Commission Regulation N° 1628/94, on cross-border cooperation between the Member States and the central European countries in the framework of the Phare Programme, provides the rules for financing actions of a structural nature in border regions of central European countries sharing a common border with Member States, in harmony with the European Union structural policies and with INTERREG II in particular. Following the entry of Austria into the European Union, the Phare cross-border cooperation programme includes a specific budget line designated for promoting cross-border cooperation between regions of Hungary adjoining Austria.

The 1995 cross-border cooperation programme will finance actions with direct or indirect cross-border impact in border regions of Hungary sharing a common border with Austria. The programme has been the subject of discussions by the Austrian-Hungarian Commission for Spatial Planning and its subcommittee, which currently make up the institutional framework for cross-border cooperation between the two countries. The projects all have sound cross-border impact and are coherent with the measures of the operational programmes related to INTERREG activities on the other side of the border, which have identical priorities.

Phare contribution to total cost	ECU million Phare	ECU million Total cost *
Regional planning and development		
cross-border regional studies and planning	0.059	0.125
PMU and sub-office	0.6885	0.740
Subtotal	0.7475	0.865
Infrastructure	2.210	2.893
development of transport infrastructure		
Economic development and cooperation		
cross-border industrial/technology parks, SMEs	1.305	1.779
tourism development	1.230	1.640
Subtotal	2.535	3.419
Human resources		
basic and further training	0.065	0.074
cooperation in education	0.366	0.476
Subtotal	0.431	0.550
Environment and nature protection		
environment related investments	0.2785	0.371
development of nature reserve areas	0.4425	0.575
Subtotal	0.721	0.946
Small projects fund		
cross-border activities up to ECU 10,000	0.360	0.360
Total	7.000	9.033

* Total co-financing from Phare and the Hungarian Government

Programme objectives

The programme aims to develop cross-border cooperation in the regions of Hungary which share a common border with Austria, concentrating on the following fields of activity:

- developing cross-border cooperation in the interests of the population in the adjacent areas by intensifying relations between the border regions, aimed at overcoming specific development problems in these regions
- jointly developing and protecting the potential of the border region, for example as regards tourism and industrial production
- establishing and strengthening cross-border cooperation activities and networks (for example between

local/regional authorities, employment services and companies) on both sides of the border and establishing links with the wider networks of the European Union

- improving cross-border infrastructure (mainly transport infrastructure) in quantity and quality and reducing strains caused by various elements, such as noise and pollution from traffic
- developing the Hungarian border region to raise it to the development level of the Austrian side of the border, in particular by aiming to overcome problems stemming from the lack of innovative business activities, relatively high unemployment rates and gaps in the qualifications of the labour force
- strengthening the already good relations between the two countries through closer cooperation and networking in the economic, social and cultural fields
- extending bilateral cooperation to trilateral cooperation with Slovenia and Slovakia respectively
- supporting the process of integrating Hungary into the European Union.

The regions which will be eligible for funding are the counties/komitate of

- Győr-Moson-Sopron
- Vas
- Zala.

Programme description

Regional planning and development ECU 747,500
Cross-border regional studies and planning activities will be conducted, in the form of comprehensive regional and industrial development concepts for border regions, reviewing the regional position in a developing environment:

- a comprehensive regional development and master plan for the border region (phase 1)
- a regional market analysis for the border region (phase 1).

Phare contribution ECU 59,000

A Project Management Unit and a regional sub-office will be set up to provide programme management and support for organisational strengthening and building support.

Phare contribution ECU 688,500

Infrastructure ECU 2.21 million

The following steps will be taken to develop the transport infrastructure:

- development of a ro-ro port for Győr-Gönyű (phase 1)
- a feasibility/environmental study and necessary investment maintenance for the Győr-Pér regional airport
- development of the external infrastructure of Sármellék regional airport (phase 1)
- construction of the main Bucsú-Szombathely road, No 87-89 (phase 1 - planning)
- construction and upgrading of main road No 84-85 (phase 1)
- upgrading of the Szentpéterfa and Bozsok border station roads.

Economic development ECU 2.535 million

Cross-border industrial and technology parks and business incubation centres will be established and activities undertaken to promote cross-border cooperation between SMEs, with the focus on technology transfer and innovation activities:

- development of Szentgotthárd Industrial Park (phase 1)
- development of an innovation and technology centre at Győr (phase 1)
- development of location marketing and cooperation centres, for example involving Window in Vienna and the municipalities of Győr-Moson-Sopron
- development of a mobile exhibition hall at Zalaegerszeg
- setting up a pilot project for the cooperative development of labour market policy for the border region.

Phare contribution ECU 1.305 million

Projects in the tourism sector will be directed at developing cycle ways

- along the Danube (phase 1)
- in the Fertő region (phase 1)
- in the southern border area (phase 1).

Phare contribution ECU 1.23 million

Human resources development ECU 431,000

Cooperation on basic and further training will be developed, with emphasis on the needs of SMEs, public administration and the tourism sector:

- a feasibility study (phase 1) on the possibilities for cooperation offered by the Németh László College and Ágfalva Ecofarm
- a pilot project on the joint training of managers of socio-economic projects and vocational training advisers.

Phare contribution ECU 65,000

Cooperation in education will also be encouraged through

- development of a project involving the Fertő School for Enterprise Administrators.

Phare contribution ECU 366,000

Environment and nature protection ECU 721,000

Measures will be taken to develop environment-friendly investments:

- construction of a refuse incinerator for toxic waste at Zalaegerszeg
- carrying out basic research and preparing project drafts on the use of regenerative energy resources.

Phare contribution ECU 278,500

Other measures will involve developing cross-border nature preservation zones such as

- developing a new cross-border nature park in the Örseg-Raab region.

Phare contribution ECU 442,500

Small projects fund**ECU 360,000**

A fund will be set up to finance small projects, up to ECU 10,000, which aim to promote cross-border activities. The following projects have been selected so far:

- a survey of trans-frontier wetlands
- equipment for the Hánság nature protection area
- a Balor adaptor for the Hánság nature protection area
- preservation of open water of Király Lake
- a tourist cultural brochure for Lake Fertő/Neusiedler See
- a tourist brochure for the Middle Burgenland and Lake Fertő region
- a bi-lingual tourist newspaper ('Border country')
- a cultural historical panorama book
- a regional map of the border region (Burgenland and Győr-Moson-Sopron)
- a training session on international entrepreneurial culture
- a study tour to Euroregions on the German-Dutch border
- support to participants in the Oberwart general fair
- a cross-border meeting of agricultural and food industries
- a cross-border meeting of tourism businessmen and experts
- a pilot study on a cross-border environmental auditing and planning.

Implementation

A joint programming and monitoring committee, composed of the appropriate authorities from Hungary and Austria, will play the principal role in assuring overall coordination between the two Governments in the planning and implementation stages of the programme. It will be the principal forum for the joint programming of cross-border activities under Phare and INTERREG II. The committee will undertake joint project selection in the context of the programme and will also monitor and coordinate the implementation of these activities.

A central Programme Management Unit will be established at the Ministry of Environment and Regional Policy to oversee all actions undertaken under the programme and will have responsibility for the overall management of the programme. To encourage decentralisation of decision-making and to promote the transfer of project management skills, the Programme Management Unit will establish a sub-office within the designated region. The Ministry will have overall coordination and financial responsibility for the programme. The Ministry will also have overall responsibility for preparing and launching tenders, evaluating offers, contracting, supervising works and final acceptance of projects.

The Assistance Coordination Secretariat in the Ministry of Industry and Trade, which has overall responsibility for all foreign assistance projects, will be informed on a regular basis and will ensure that the programme is implemented so as to avoid overlapping with the Phare Programme and other foreign aid programmes.

Multi-country

Democracy programme

Duration	24 months
Amount	ECU 10 million
Implementing authority	European Commission European Human Rights Foundation Avenue Michelange 70 B-1040 Brussels Tel (+32-2) 736 84 05 Fax (+32-2) 734 68 31 Contact: Mr Arturo Rodriguez

Main components

Macro-project scheme **ECU 6 million**

Non-reimbursable grants up to a maximum of ECU 200,000 for co-funded partnership projects involving non-state/non-profit-making bodies based in central and eastern Europe and similar bodies based in the European Union or another central or east European country to cover

- technical expertise and training costs
- some new equipment expenditure
- launching costs.

Micro-project scheme **ECU 2 million**

Grants of between ECU 3,000 and ECU 10,000 for very small projects presented at the initiative of local people in the central and eastern European countries.

Ad hoc measures **ECU 1 million**

The European Commission may fund ad hoc projects on its own initiative, up to 100 per cent of total project costs, where these cover several central and eastern European countries or cover unforeseen needs requiring a prompt response.

Management **ECU 1 million**

An allocation is made to managing the programme, covering technical support, information and publicity, audit, monitoring and evaluation.

However, political reform also means introducing new procedures and practices in most parts of government and the legal system, as well as in representative bodies, such as political parties, employers' associations and trade unions. The same kind of institutional challenges apply to the economic aspects of reform, which also require a new regulatory environment and new mechanisms and partnerships to improve quality and cost-effectiveness but which also entail a complete reconsideration of the role of the state in society and the economy.

Steps are needed to further strengthen pluralist democracy and the rule of law in the central and eastern European countries, with a view to supporting the overall process of economic and political reform and giving concrete expression to commitments enshrined in the Europe Agreements and the Partnership and Cooperation Agreements.

Programme objectives

The programme is designed in particular to

- enable cross-party groups of politicians (parliamentarians and elected representatives in local and regional governments) and parliamentary staff to acquire and apply knowledge and techniques of parliamentary practice and organisation
- strengthen non-governmental bodies and associations in central Europe, the New Independent States and Mongolia which, by their vocation and specific activities, can make a continuing contribution to promoting pluralist democratic society
- transfer specific expertise and technical skills on democratic processes and the rule of law to professional groups and associations in central Europe, the New Independent States and Mongolia.

Programme description

The programme will focus on issues where governments are not or should not be active.

Support will concentrate on areas where it is most needed, in particular on the difficult and unpopular aspects of human rights, where local advocacy bodies are weak and professional expertise is lacking. General preferences are being defined for the sort of actions which will be favoured for certain regions. These thematic and geographic priorities will serve as guidelines for action, partly through explicit choice and partly implicitly through the ranking of proposals received. In this context, priorities will include

Background

Political reform in central and eastern Europe is a continuing process, begun but not completed with the holding of multi-party elections. It involves the setting up of a whole range of new institutions.

- training of parliamentarians and parliamentary staff, given the dearth of activity for parliamentarians organised on a cross-party or non-partisan basis
- developing NGOs and representative structures
- supporting independent, pluralistic and responsible media
- promoting and monitoring human rights/civil liberties
- encouraging transparency of public administration
- legal support and reinforcement of the judicial system.

Macro-project scheme ECU 6 million

Non-reimbursable grants up to a maximum of ECU 200,000, and not exceeding 80 per cent of the total project costs, to co-funded partnership projects involving non-state/non-profit-making bodies to cover

- technical expertise and training costs
- some new equipment expenditure
- launching costs.

Grants will not be available for scholarships, pure research projects or one-off conferences.

Projects must

- be self-contained operations, designed in response to the situation in the country(ies) concerned and according to the specific needs expressed by the central and eastern European partner(s)
- indicate a coherent set of activities, with clearly defined objectives and a specific duration (normally not exceeding 12 months)
- meet the key eligibility criteria specified by the European Commission in the call for proposals
- be based on cooperation between formally constituted non-state/non-profit-making bodies based in central and eastern Europe and similar bodies based in the European Union or another central or east European country (public bodies may not be partners but may be associated with the project in a supporting capacity).

At least one applicant must be from a European Union Member State or be a transnational body with member organisations in the European Union acting in partnership with at least one applicant from central Europe or the New Independent States; alternatively, central European or New Independent States bodies may apply without a European Union partner if the project includes partners from more than one country and relevant experience and capability are demonstrated.

Priority will be given to projects designed to promote good neighbourly relations by bringing together participants from more than one country in central Europe or the New Independent States, for example regional trans-border cooperation. Projects of a partisan nature or involving single political parties will be ineligible.

Micro-project scheme ECU 2 million

Grants of between ECU 3,000 and ECU 10,000 will be provided for very small projects presented at the initiative of local people in the central and eastern European countries.

Projects may be submitted by a central and eastern European body alone, without a European Union partner. In such cases, grants of up to 90 per cent of the total cost of the project may be made and the contribution may be made in kind, for example through contributing staff costs, expertise, equipment or premises.

Selection of micro-projects will be made on the basis of their quality, viability and conformity with the programme's objectives, taking due account of the interface with larger projects and the need for overall balance.

Ad hoc measures ECU 1 million

The European Commission may fund ad hoc projects on its own initiative, up to 100 per cent of total project costs.

These ad hoc measures will normally fall outside the scope of activities covered by the macro- and micro-project schemes. They may be horizontal, covering several central and eastern European countries, or may cover unforeseen needs where a prompt response is required, for example to support fair electoral processes, independent and pluralistic media or human rights issues.

Management ECU 1 million

An allocation is made to funding for managing the programme, in particular for

- technical support
- information and publicity
- audit, monitoring and evaluation.

Implementation

The European Commission will be responsible for managing the programme.

Two calls for proposals under the macro-project scheme will be issued per annum with deadlines for submissions at the end of April and October.

The publicity, selection, contract management, payment and monitoring procedures for the micro-project scheme will be managed by the European Commission's delegations in the central and eastern European countries.

- Contractors under the ad hoc measures component will be selected by the Commission from experienced public entities, international organisations and NGOs concerned with human rights issues, democratic institution-building and pluralism.

Multi-country

Interregional cooperation programme

Duration	18 months
Amount	ECU 2 million
Implementing authority	European Commission Phare/Ouverture/Ecos Budapest Room 605 Szép utca 2 1053 Budapest Tel (+36-1) 117 4525 Fax (+36-1) 117 4622 Contact: Mrs Viola Lier, Manager Mrs Kati Ember, Department Manager

Main components

Project support	ECU 1.66 million
Promotion and training	ECU 100,000
Management	ECU 200,000
Evaluation and monitoring	ECU 40,000

Background

Interregional cooperation is a substantial and successful area of activity within the European Union and has been supported by a number of European Union programmes. Article 10 of the European Regional Development Fund provides a mechanism for supporting innovative actions for regional development, including external interregional cooperation involving partners from Phare partner countries.

Ouverture/Ecos is a well-established scheme which has stimulated and supported interregional cooperation between partners at local and regional level within European Union Member States and Phare partner countries. Ouverture/Ecos has supported over 250 projects since 1991, involving more than 700 partners with support from the European Regional Development Fund of ECU 12 million. Partners must be local or regional authorities, of which at least one must be from a Phare partner country and two from European Union Member States. The scheme has recently been extended to cover countries included under the Tacis Programme.

Ouverture was established in 1991 and is managed by Strathclyde Regional Council, together with Asturias, Piedmont, Saarland and Midi-Pyrénées. Ouverture

focuses on regional services and administration, regional environmental issues and business and economic development. Ecos was set up in 1992 and is managed by the Council of European Municipalities and the City of Strasbourg. Ecos is focused at the urban level and includes the provision of urban services and policies, urban environment and administration. The integration of the two schemes is almost complete. However, until recently, financial support for Ouverture/Ecos projects originated only from the European Regional Development Fund and therefore was available only to European Union Member State partners.

In 1993, an initiative under the Phare regional energy programme enabled joint financial support of interregional cooperation projects by Phare and Ouverture/Ecos in the energy sector. Moreover, in 1994 a new Community budget line allocated ECU 150 million for cross-border cooperation activities between Phare partner countries bordering Member States of the European Union; the regulation for the budget line also covers interregional cooperation and not simply cooperation between adjacent countries. As a result, Phare allocated ECU 2 million in 1994 to support the Ouverture/Ecos scheme in order to reinforce the role of Phare partner countries. An office was also established in Budapest in April 1995 to provide a mechanism for longer term development and the enhancement of the role of central European partners.

The new programme will build on the activities supported by Phare in 1994 and will ensure a strengthened role for partners in central European countries.

Programme objectives

The main objectives of the programme will be to

- develop and adapt the cooperation process initiated in 1994
- ensure an enhanced level of cooperation between regions and local administrations, especially in the context of the roles of the central European partners.

The specific objectives of the programme are to

- increase participation of regions and cities in the central European countries in interregional cooperation projects with European Union counterparts, through providing financial support to central and eastern European partners
- continue to adapt the Phare/Ouverture/Ecos programme to the needs and priorities of central European partners, through changes to procedures, structures and methods

- develop the capability of local and regional authorities in the central European countries to engage in interregional cooperation and to enable them to initiate and lead projects
- develop a long-term basis for stimulating interregional cooperation between central European partners and European Union partners.

Programme description

Project support

ECU 1.66 million

Support will be provided to individual projects concerning interregional cooperation between partners from central European countries and partners from the European Union.

Local and regional authorities located in central European countries will be eligible. Other local and regional bodies may also participate, when supported by local or regional authorities. Projects must involve at least two European Union partners and at least one partner from a central European country, but preference will be given to projects involving more than one central European partner and to those led by a central European partner.

Eligible activities will reflect the scope of the existing Ouverture/Ecos scheme, namely support for the transfer of know-how between developed and less-developed regions and between European Union regions and regions in the central European countries.

Actions may focus on the modernisation of local administration or on techniques of local development through partnership between public bodies in the European Union and the central European countries.

In the sphere of launching projects with a common interest, priority will be given to actions focusing on the environment and on innovative research technologies, in accordance with European Union policies. Actions may include

- the validation of specific local potential
- SME access to European and international markets
- the development of regional partnerships with a view to promoting innovation or the offer of common services to SMEs.

Actions may be achieved through

- exchanges and study visits
- expert advice and the provision of expert staff
- project-related support
- training

- feasibility studies
- economic development and trade initiatives
- fairs and exhibitions
- information exchanges
- preparation of materials
- the acquisition of equipment for demonstration purposes.

Projects will be selected through a system based on that already used by the Ouverture/Ecos managers but with adaptation of decision-making procedures and structures to reflect the provision of Phare support and the enhanced role seen for partners from central European partner countries. The complementarity of project activities with other Phare programmes is regarded as a priority.

Ceilings for funding will be

- minimum Phare contribution: ECU 10,000
- minimum European Regional Development Fund contribution: ECU 75,000
- maximum Phare contribution: ECU 75,000
- maximum European Regional Development Fund contribution: ECU 225,000
- grant financing available to central and eastern European partners may not exceed 80 per cent of the total project cost.

Promotion and training

ECU 100,000

Support will be provided to develop the capacity of local and regional authorities in central European countries to prepare, manage and lead cooperation projects. This will ensure successful cooperation and help central European partners to gain long-term benefits from networks.

Significant actions relating to training and promotion will be supported to develop this capacity for existing and potential project participants from central European countries. Activities will concentrate on disseminating information and advice on the programme through

- publicity
- seminars
- training
- publications
- translations of publicity material
- mailing
- related travel costs.

Management and technical expertise ECU 200,000

Phare support will continue to be channelled through the existing managers of Ouverture/Ecos. A key element will be the further development and operation of the new Budapest office. Support will be provided to the managers for

- management
- technical expertise
- programme coordination, evaluation and monitoring.

Evaluation and monitoring ECU 40,000

Independent consultants will be selected to follow the progress of the programme and its components and to carry out an ex post evaluation after completion.

Implementation

The head office of the Ouverture/Ecos scheme is in Glasgow; other offices are located in a number of other Member States. The management, evaluation and decision-making structures of Ouverture/Ecos will be adapted to include representatives from central European countries.

The Phare component will be the responsibility of the Budapest office, which will coordinate the programme, in close cooperation with the Glasgow Ouverture/Ecos office.

Programme implementation will be centralised by the European Commission.

Multi-country

Know-how programme for preparation for integration into the European Union's internal market

Duration	to 31 December 1997
Amount	ECU 18.5 million
Implementing authority	European Commission Technical Assistance Information Exchange Office Tel (+32-2) 299 1356/1400 Fax (+32-2) 295 7429 Contact: Mr P. Kalbe, Deputy Director

Main components

Implementation and enforcement ECU 8 million

Expenses and fees connected with

- the provision of services through experts from the public and private sectors

Complementary measures ECU 6.5 million

Costs of

- developing databases and technical glossaries and making them accessible
- translation
- information gathering

Supporting measures ECU 3 million

Costs of different support activities, such as

- programme administration
- meetings
- travelling costs
- publicity and reproduction

Audit, monitoring and evaluation ECU 100,000

Contingency ECU 900,000

Background

The European Council, meeting in Cannes at the end of June 1995, welcomed the Commission's White Paper on 'Preparation of the associated countries of central and eastern Europe for integration into the internal market of the Union'. The Paper aims to help the central and eastern European countries progressively approximate their legislation in line with that of the European Union's internal market.

The Europe Agreements, signed by the European Union with six central European countries (Poland, Hungary,

the Czech Republic, Slovakia, Bulgaria and Romania) and under negotiation with four more, herald accession to the European Union and call for progressive alignment of their legislation with that of the European Union. As required, these countries have begun approximating their legislation, but some have made substantial progress compared to others while each views different areas as priorities. The White Paper aims to put some order into the process and coordinate efforts to make the task easier, by guiding the countries in their planning and programming. The White Paper recommends a programme for them, identifying the key measures needing approximation in each sector, an order of priorities and the best sequence to be followed. Focus is on legislation which is essential for the functioning of the internal market, leaving legislation of less direct impact to a later stage.

However, the White Paper stresses that, to be effective, the new legislation needs to be properly implemented and enforced and therefore highlights the administrative and technical structures needed by each country in this respect.

Phare is already providing technical support to help the countries approximate their legislation, within the framework of the Europe Agreements. However, recognising the magnitude of the task, the White Paper outlines the content and organisation of a more intensive and coherent Phare-funded programme, involving full participation by the Member States. This will concentrate on support to assist in the planning, drafting, implementation and enforcement of legislation. In particular, the White Paper proposes two crucial areas for funding. One of these involves funding participation of the associated countries in certain Community programmes designed to reinforce the internal market. The second involves setting up a new technical support information exchange office, to be managed by the Commission and supported by a multi-country Phare-funded programme. This second initiative is the subject of the a new multi-country Phare programme.

Programme objectives

The programme is designed to

- contribute to transposing, implementing and enforcing internal market legislation in the associated countries
- enhance transparency and facilitate the flow of information between the associated countries and support providers.

Programme description

Implementation and enforcement ECU 8 million

This component will involve mobilising specialists to advise the associated countries on

- implementing national laws and regulations in line with internal market measures and enforcing them
- establishing appropriate administrative structures and implementation procedures.

A panel of experts with relevant expertise in the internal market field will be selected, including officials and experts from the Member States and from public and private bodies. Their services will be drawn upon

- in response to requests from the associated countries
- at the initiative of the Commission.

Services may include

- secondment of the experts to administrations or institutions in the associated countries
- conducting training programmes and seminars in Brussels.

Complementary measures ECU 6.5 million

Information provision

This component will aim to keep the associated countries informed of new and planned internal market legislation, through

- joint courses, seminars and other training measures
- the dissemination of documentation.

Funding may also be allocated to improve information services where the associated countries' information and documentation about the European Union's existing 'acquis communautaire' cannot be covered adequately by current resources.

Overcoming language barriers

To ensure adequate transposition of the internal market 'acquis communautaire' into the languages and constitutional traditions of the associated countries, funding will be provided for

- producing glossaries of specialised terminology in the sectors concerned
- translating some basic legal texts.

Creation of databases

In order to achieve transparency and avoid duplication of effort, a number of databases will be established:

- databases comprising comprehensive documentation of legislation in each associated country, with each country having responsibility for day-to-day management

- a database on support available to the associated countries, including information about Phare activities, Community programmes open to the associated countries, Member State programmes addressed to them and any other relevant information on support for alignment with the internal market, with the Technical Assistance Office having responsibility for day-to-day management
- a database on progress in the associated countries, containing lists of internal market legislative acts, corresponding implementation and enforcement structures and indications on where Phare support has been used, with the Technical Assistance Office having responsibility for day-to-day management.

Celex, the database on Community legislation, comprising comprehensive documentation on Community and Member State legislation, will also be used.

Supporting measures ECU 3 million

The costs of different support activities will be funded, including those incurred in

- programme administration
- meetings
- travelling costs
- publicity and reproduction.

Audit, monitoring and evaluation ECU 100,000 Contingency ECU 900,000

Implementation

The implementation and enforcement component will be carried out through expert advice secured through framework contracts. Experts will be identified on the basis of consultations with Member State administrations or other public institutions or on the basis of tendering through private institutions and consultancy firms.

The component on complementary measures will be implemented according to various procedures. The information component will be implemented under a framework contract after tendering. The translation component will be subject to contracting after tendering. The database component will be subject to service and supply contracts, including necessary expertise in creating and using a particular database and training; the Commission has already launched a feasibility study on creating and operating the databases.

The Commission will ensure that existing national Phare programmes on approximation of legislation, the multi-country programme and the activities of the Technical Assistance Information Exchange Office are mutually consistent and reinforcing.

Multi-country

Partnership programme

Duration	to 31 December 1997
Amount	ECU 10 million
Implementing authority	European Commission Partnership Programme Management Unit Box 29 Avenue de Tervuren 32 B-1040 Brussels Tel (+32-2) 734 27 44 Fax (+32-2) 734 26 94

Main components

Grant funding ECU 9 million

Grants between ECU 10,000 and ECU 200,000 for co-funded partnership projects, mainly involving decentralised non-profit-making public or private sector organisations from the European Union and/or central Europe, to cover

- technical expertise and training costs
- some new equipment expenditure
- launching costs.

Technical support for the European Commission ECU 1 million

Contracting of technical expertise to

- publicise the programme
- conduct the initial evaluation of proposals
- assist in ad hoc tasks relating to programme implementation and information dissemination
- advise organisations during the project and contract preparation and implementation stages.

Background

The importance of local economic development in transforming the economies of central European countries is being increasingly recognised. Steps need to be taken to strengthen the ability of central European organisations to participate in and further local economic development. This will facilitate the more efficient use of local resources, encourage local enterprise, remove technological bottlenecks and promote an integrated approach to economic development, taking account of social, cultural and environmental aspects of development. At

the same time, the operational capacity of institutions which play a role in local development needs to be strengthened and their newly acquired knowledge and skills transferred to other organisations.

Contributions to local economic development can be made by bodies such as chambers of commerce, municipalities, associations of municipalities, local and regional development agencies, SME (small and medium-sized enterprises) development centres, consultancy centres, entrepreneurs' associations, trade unions, citizens' associations, business associations and foundations, and professional and workers' associations.

Phare launched a partnership and institution-building programme in 1993, which resulted in the selection of projects for Phare funding, focused on business and economic development, promoting worker and consumer interests, strengthening local and regional government and strengthening the NGO (non-governmental organisations) or third sector. The new programme will continue to support co-funded partnership projects, mainly involving decentralised non-profit-making public or private sector organisations. The partnership element gives organisations the opportunity to exchange experience and expertise and to build up sustainable working links which will enhance the understanding by central European organisations of different standards, work practices and policy at grass roots level.

The new programme builds on the experience of the 1993 programme, but is more focused and also permits projects involving partners purely from central Europe as well as projects with a mix of central European and European Union partners.

The programme has been developed in line with emerging priorities for non-profit-making organisations, some of which are already addressed in existing programmes. In particular, it complements the Phare Democracy programme, aimed at activities of non-profit-making organisations designed to strengthen pluralistic democracy and the rule of law, and the LIEN (Link Inter-European NGO) programme, specifically targeted at NGOs. The partnership programme will complete the triangle by supporting local economic development and institution-building initiatives.

Programme objectives

The programme is designed to

- contribute to institutional strengthening through support for decentralised cooperative initiatives which help to institutionalise skills and experience and so encourage local economic development in central Europe

- promote sustainable local economic development by encouraging more efficient use of local resources, business, rural and urban development and an integrated approach to development
- encourage transnational cooperation and the development of partnerships and networks amongst decentralised public and private sector non-profit-making organisations in the European Union and in central Europe
- facilitate exchanges of experience, skills, expertise, understanding and consultation on issues relating to local economic development amongst decentralised public and private sector non-profit-making organisations in the European Union and in central Europe.

The main component of the programme relates to grant funding for projects. A second component covers technical support which will be contracted by the European Commission to assist it in implementing the programme.

Programme description

Grant funding ECU 9 million

The programme will provide grants of between ECU 10,000 and ECU 200,000 to co-funded partnership projects, mainly involving decentralised non-profit-making public or private sector organisations, to cover

- technical expertise and training costs
- some new equipment expenditure
- launching costs.

Grants will not be available for scholarships, pure research projects, one-off conferences, investment or credit-related activities, grant-funding activities, office/building purchasing, deficit funding, capital endowments or retrospective funding of projects already completed.

Organisations will be required to provide a contribution to the total cost of the project, which may come from public or private sector sources. For projects involving both European Union and central European partners, the minimum matching funding required will be 40 per cent of the total cost of the project. For projects involving only central European partners, the minimum matching funding will be 20 per cent.

Projects must

- be self-contained operations, designed in response to the situation in the country(ies) concerned and according to the specific needs expressed by the central European partner(s)

- indicate a coherent set of activities, with clearly defined objectives, results, impact and duration (normally not exceeding 18 months)
- meet the key eligibility criteria specified by the European Commission in the call for proposals
- be based on cooperation between formally constituted non-profit-making organisations based in central Europe and similar bodies based in the European Union or another central European country (individual private sector companies, such as consultancies, and central government bodies are not eligible as partners).

At least one applicant must be from a European Union Member State or be a transnational body with member organisations in the European Union acting in partnership with at least one applicant from central Europe; alternatively, central European organisations may apply without a European Union partner if the project includes partner organisations from more than one central European country and relevant experience and capability are demonstrated.

Priority will be given to issues where support has so far been limited and where it is most needed, as well as to under-resourced organisations requiring greater local representation. Particular attention will be paid to defining the needs of the central European partners involved and the strengths and weaknesses of the local institutional environment in which they operate.

In particular, priority will be given to projects which

- facilitate the entry of local central European organisations into wider European umbrella organisations and networks
- actively promote European integration
- directly complement existing donor activities in central Europe
- focus on economic development at the community level, which have a cultural angle and which build bridges between local communities and economic areas both within and across countries
- facilitate local participation in local socio-economic development, for example at the level of local government, enterprise, worker, consumer or citizen groupings
- concern pilot activities which may be used as models for cooperation and development
- build innovative partnerships between public and private sector organisations.

A formal call for proposals was issued by the European Commission with a deadline for submissions in November 1995. A second call will follow with a deadline of spring 1996.

Projects may be submitted directly to the European Commission, if the lead applicant is from central Europe or represents a transnational organisation. Projects with a lead applicant from the European Union must submit their applications through a designated authority of a Member State for initial screening. The lead applicant will coordinate the project and handle the contracting and implementation process.

**Technical support for
the European Commission ECU 1 million**
The Commission will contract technical support to

- publicise the programme
- conduct the initial evaluation of proposals
- assist in ad hoc tasks relating to programme implementation and information dissemination
- advise organisations during the project and contract preparation and implementation stages.

Implementation

The European Commission will have overall responsibility for managing the programme.

Multi-country

Programme to facilitate transit

Duration	to 31 December 1998
Amount	ECU 30 million
Implementing authority	Border crossing infrastructure: Prague Transport Programme Coordination Unit Ministry of Transport Nabrezi L Svobody 12 110 15 Prague 1 Tel (+42-2) 230 31 077, 230 31 156 Fax (+42-2) 230 31 078, 248 31 156 Contact: Mrs Hana Martinovska, Programme Manager Mr Martin Duris, Programme Assistant Technical support, training and equipment: European Commission

Main components

Border crossing infrastructure	ECU 24.7 million
Northern region	ECU 5.3 million
Middle region	ECU 9.4 million
Southern region	ECU 10 million

Technical support, training and equipment	ECU 4.3 million
Customs clearance procedures	
Drugs	
Hazardous waste and nuclear materials	
Agricultural products	

Contingencies, management, audit and evaluation	ECU 1 million
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Background

There are still considerable delays at border crossings between the central European countries themselves and between those countries and the European Union. The economic losses caused as a result are enormous and so these bottlenecks must be eliminated as a matter of urgency.

Delays at border posts are due not only to insufficient and badly designed infrastructure but also to outdated customs and control procedures, administrative practices and management, and a lack of sufficient and well-trained personnel.

Therefore, investment in modernising infrastructure at border crossings will only be profitable if steps are taken to ensure that the posts are operated by effective customs services. Personnel must be capable of handling various types of consignments and applying adequate control measures to prevent illegal imports and ensure correct revenue collection.

Programme objectives

The overall objectives of the programme are to

- support the development of trans-European networks
- facilitate the flow of transport between the central European countries themselves and those countries and the European Union
- support closer European political and economic integration.

The specific objectives of the programme are to eliminate delays at the borders and support measures to prevent illegal imports by

- continuing to modernise the infrastructure of border-crossing points on major transit and customs corridors and of other important crossing points
- continuing to mobilise domestic and foreign resources for infrastructure investments
- developing and upgrading customs procedures and training customs officers in customs legislation, procedures, practices and traditions and in control and search techniques
- providing equipment for operating border posts and for training.

Programme description

Border crossing infrastructure ECU 24.7 million
Support for upgrading infrastructure at border-crossing points and for supplying necessary equipment will be focused on key international crossings. The European Commission and the Phare partner countries have already made a preliminary identification of the crossings concerned, on the basis of existing cost-benefit analyses. The selection has also been made with a view to ensuring maximum effect in terms of reducing waiting time, with priority being given to juxtaposed customs controls.

First priority has been given to border crossings on the nine 'Crete' corridors (identified as priorities by the Pan-European Conference of Transport Ministers in Crete in March 1994 and confirmed by the Essen summit) and to the Balkan customs corridors.

Northern region ECU 5.3 million
Lithuania - the Kybartai road crossing with neighbouring Russia, and the Kena rail crossing with neighbouring Belarus

Latvia - the Grebneva road crossing with neighbouring Russia, the Paternieki road crossing with neighbouring Belarus, and the Ainazi road crossing with neighbouring Estonia

Estonia - the Valga road crossing with neighbouring Latvia, the Luhamaa road crossing with neighbouring Russia, and the Ikla road crossing with neighbouring Latvia

Middle region ECU 9.4 million
Czech Republic - the Mosty road crossing with neighbouring Slovakia

Slovakia - the Svrčinovec road crossing with the neighbouring Czech Republic, and the Skalite road/rail crossing with neighbouring Poland

Hungary - the Zahony road crossing with neighbouring Ukraine

Poland - the Zwardon road/rail crossing with neighbouring Slovakia

Southern region ECU 10 million
Albania - the Kapstica road crossing with neighbouring FYROM (Former Yugoslav Republic of Macedonia)

Bulgaria - the Gjueshevo rail crossing with neighbouring FYROM

Bulgaria/Romania - the Rousse/Giurgiu road crossing

Romania/Hungary - the Varsand/Gyula road crossing, and the Bors/Artand road crossing

Slovenia/Hungary - the Dolga/Vas road crossing

Support may be provided in the form of co-financing, normally for 50 per cent of the total construction costs for upgrading the basic infrastructure, including items such as

- direct access roads
- parking and waiting areas
- additional lanes
- terminals
- control facilities.

Technical support, training and equipment

ECU 4.3 million

Training in customs clearance procedures

As a short-term measure, to meet urgent needs, training support and the provision of equipment for training

purposes will be concentrated on

- improving understanding and application of the international transit system, namely SAD and TIR carnet procedures, so as to ensure better controls over goods in transit
- preventing illegal trafficking in drugs, hazardous waste and stolen cars
- combating commercial fraud.

These short-term activities will be directed at selected border-crossing points corresponding to those earmarked above for infrastructure support, and at other important crossings.

Other medium- and longer-term training activities will also be developed.

Firstly, technical support will be provided to all the central European countries on

- drafting, implementing and publishing legislation related to customs clearance
- introducing appropriate cooperation procedures
- preparing for accession to international treaties, such as the TIR Convention and the Basel Convention on the control of the trans-boundary movement of hazardous waste.

Much of the legal framework is already in place or will be in place fairly soon as a result of previous efforts by Phare in this field in the form of multi-country customs programmes. Therefore, priority will now be given to introducing and implementing more detailed secondary customs regulations and customs manuals, including the introduction of a control system based on risk analysis. These measures will be supported by on-the-spot training and will include matters relating to the operation and management of border posts.

Since the proper operation of border posts is dependent on appropriate centralised support, training will be extended to central customs authorities, with a view to building effective customs services able to deal with all aspects of modern customs techniques. Training will cover issues such as

- administrative organisation and management
- the provision of basic information and services to the trading community
- cooperation with other national authorities and international organisations.

Computerised systems for customs clearance, in particular for goods in transit, will be reinforced with training on relevant legislation and in its implementation. Consideration will also be given to preparations for introducing a computer-based network between all the central European countries and between those countries and the European Union.

Finally, technical support will be provided to all the central European countries to help them set up a well-structured and all-encompassing customs education system through the provision of trainers and training equipment.

Drugs

The 1993 Phare multi-country programme for the fight against drugs deals with policy formulation, legislation, information and institution-building but does not cover actual action to combat drugs smuggling. In this respect this new programme will supplement the 1993 programme, since it will focus on the law enforcement aspects of the problem.

In-depth training will be provided to customs officials in detection methods, together with financial support for the purchase of communication, testing and drug-detection equipment. To ensure that appropriate support is provided, a detailed assessment of each country's needs will be made in relation to the major drug smuggling border crossings.

In addition, a system of mutual support will also be developed between the central European countries themselves and between those countries and the European Union.

Hazardous substances and nuclear materials

To control trans-boundary movements of hazardous substances, including nuclear materials, the central European countries need to agree a set of common standards. These should as a minimum provide for a common definition and labelling of hazardous substances, approved vehicles and transports and a pre-notification procedure to enable the authorities of the transiting country to prepare a control at the border post and identify a safe in-country transit route.

An identification study will be conducted to investigate how relevant European Union legislation and practices could be applied in the central European countries, and to propose a draft strategy and priorities for effective control. The study will need to review the current situation as regards

- activities and problems concerning customs cooperation and trade in the central European countries
- border and laboratory facilities

- certification, inspection and control procedures and route planning
- key authorities/organisations which could be involved in agreeing and implementing procedures
- specific problems relevant to the central European countries' particular situation, for example as destinations for illegal exports from the European Union.

Agricultural products

Phare is already funding a number of programmes to facilitate trade in agricultural products and animals in central Europe and has recently launched a multi-country veterinary diagnosis and control programme.

An identification study will be conducted to review the sector's problems concerning customs cooperation and trade and to propose a strategy and priorities for Phare support in this field. A review will be made of the current situation in the central European countries as regards

- border and laboratory facilities
- quality certification, inspection and control
- veterinary and phytosanitary norms and standards
- the procedures followed by the central European countries when they export to the European Union.

Implementation

The border-crossing points infrastructure component will be implemented by the individual central European countries under the general guidance and supervision of the European Commission but, in particular, of the Prague coordination unit responsible for the Phare multi-country transport programme. The countries themselves will prepare the necessary tender documents, oversee the evaluation procedure, finalise contracts and supervise the construction work.

The technical expertise, training and equipment component will be implemented by the European Commission, which will handle procurement procedures on behalf of the countries involved. The Commission will act in liaison with the Phare multi-country customs programme coordination unit in Ljubljana, the multi-country transport programme coordination unit in Prague and the multi-country drugs programme coordination unit in Riga.

Multi-country

Programme to promote the establishment and development of joint ventures in the central European countries (JOPP extension)

Duration	to 31 December 1999
Amount	ECU 50 million
Implementing authority	European Commission JOPP Assistance Unit DG XVIII B.P. 2381 L-1023 Luxembourg Tel (+352) 42 22 33 292 Fax (+352) 46 70 97 Contact: Mr Ivar Albertsen

Main components

Extension of JOPP to end-1999.

Extension of eligibility criteria to include

- larger enterprises
- certain forms of investment cooperation.

Amendments to the four JOPP facilities, including to ceilings and other financial conditions.

Background

The development of the private sector is essential for transforming the central European countries towards market economies and for their eventual membership of the European Union.

To encourage private sector development without increasing the external debt of the central European countries, the European Commission set up a pilot programme in 1991 to encourage European Union businesses to invest in central Europe by creating and developing joint ventures with central European partners, with emphasis on developing small and medium-sized enterprises (SMEs) - JOPP.

The programme received an allocation of ECU 20 million for an initial three-year period, and was then extended with an additional budget of ECU 27.5 million. However, given the large number of projects already approved, the budget is now nearly used up and it is unlikely that any new projects can be approved after the third quarter of 1995. The new programme will permit a further alloca-

tion of ECU 50 million to be made to cover JOPP's remaining needs in 1995 and will also extend JOPP's existence until the end of 1999, to coincide with the expiry of the current Phare Programme.

JOPP is designed to support the entire joint venture creation process, from the investment opportunity identification stage to the financing of the new project or the restructuring of the existing business. The instrument adopts a global approach to the problem through four types of facility:

- upstream, to finance actions of a general nature to reduce the cost of information and preliminary contacts between potential partners (facility 1) or to finance specific feasibility studies on a well-defined investment (facility 2)
- for the actual creation of the company, offering the possibility of financial participation in the joint venture's capital to lower the partners' risk and facilitate the financial engineering of the project (facility 3)
- downstream, once the project is established, to help strengthen the company's human resources through training and management support (facility 4).

In fact, the instrument is almost exclusively used for studies, 86 per cent of projects financed concerning facility 2. A recent report on JOPP calls for more emphasis to be placed in future on participation in the financial engineering of projects and on support in mobilising the resources necessary for businesses. The report also calls for other adjustments to the instrument, in particular as regards its eligibility criteria, and for simplification of certain procedures.

Programme objectives

The programme is designed to

- increase the number of private enterprises in the central European countries
- promote investment of European Union-based small and medium-sized enterprises in the central European countries
- improve the quality of manpower employed by private companies in the central European countries
- create or maintain employment in central Europe through investment.

Programme description

The programme will extend JOPP until the end of 1999, to coincide with the end of Phare.

An allocation of ECU 50 million will be made under the 1995 budget and further allocations will be made for funding over the remaining years of the programme.

The programme will continue to operate under the rules approved in 1993 but with the following amendments.

Extension to larger enterprises

While small and medium-sized enterprises will remain the priority target for funding under JOPP, the programme will also be open to larger medium-sized enterprises which have a real business strategy and which can really ensure a transfer of capital and/or technology and the development of a sustainable investment. Therefore, the eligibility criteria will be extended to include companies which employ no more than 1,000 people, which have fixed net assets of ECU 150 million and have a capital of which less than a third is owned by a larger enterprise.

Extension to certain other forms of investment

While priority will be given to joint ventures, other forms of investment may also be eligible for JOPP where there is no local partner but where the project nevertheless responds to the criteria of the programme, for example where the investment is made entirely by the European Union promoter and the company remains his exclusive property, given that the investment effort is real, with total and sustainable involvement (licensing or franchising agreements will not be eligible).

Facility 1

This facility is primarily used to finance seminars to promote JOPP. Seminars and other events of general interest will continue to receive a grant of 50 per cent of eligible costs, with the maximum ceiling raised from ECU 75,000 to ECU 100,000.

Facility 2

Under this facility, financing of 5 per cent of the total budget is available for the pre-feasibility costs involved in identifying opportunities and partners.

In addition, an interest-free advance is available for 50 per cent of the costs of feasibility studies necessary to enable companies to take an investment decision. If the project leads to the creation of a joint venture, the advance becomes a grant and, if the venture proves successful, the other 50 per cent of the costs of the feasibility study will also be funded, up to a ceiling of ECU 150,000.

In future, funding of 50 per cent of pre-feasibility costs will be available, subject to a ceiling of ECU 20,000. This amount will be in addition to the ceiling of ECU 150,000 for the actual feasibility study.

Facility 3

This facility is based on the principle of co-financing of JOPP and other financial institutions, with JOPP's contribution set at 20 per cent of own funds, up to a maximum of ECU 1 million. So far, very few projects have benefited from this facility.

One of the reasons for this problem is that the existing network of financial intermediaries currently comprises commercial banks for the most part, which are not able to offer long-term financing or equity capital, and steps are now being taken to extend the network to include a number of investment funds, of which the European Bank for Reconstruction and Development (EBRD) is a shareholder.

In addition, a new guarantee system is needed, since the major difficulty in setting up loans for companies is their inability to provide satisfactory guarantees for banks. The facility needs to be enlarged to meet the financing needs of companies more fully. The new system will permit a 50 per cent guarantee on all forms of direct and indirect co-financing by a financial institution in a project which is eligible for JOPP, whether in the form of own funds or equivalent contributions or long-term loans. The ceiling is also raised to ECU 2 million.

Facility 4

This facility provides for co-financing up to 50 per cent, with a ceiling of ECU 150,000 in the form of an interest-free loan, to cover the costs of the transfer of know-how, in particular training. The ceiling will be raised to ECU 250,000 and, after approval by the European Commission of the final project report, the loan will be converted into a grant.

Financial conditions

In the case of certain facilities, such as facilities 1 and 2, internal costs will also be considered as eligible for financing within certain limits which will be defined at a later stage.

Implementation

The European Commission will be responsible for implementing the programme. Projects will be submitted to the Commission by the financial intermediaries and will be selected on the basis of the analysis of the financial intermediaries and the advice of the steering committee.

Multi-country

Trade development programme

Duration	to 31 December 1998
Amount	ECU 5 million
Implementing authority	European Commission Programme Coordination Unit Department of Multilateral Cooperation Ministry of Economy Mierová 19 827 15 Bratislava Tel (+42-7) 299 87 66 Fax (+42-7) 299 83 79 Contact: Mr Miroslav Adamis National authorities

Main components

Trade policy	ECU 800,000
Trade finance	ECU 500,000
Trade information	ECU 3.2 million
Management	ECU 500,000

Background

The central European countries have embarked on a radical reorientation of trade towards the OECD countries and the European Union since 1991, capitalising on the liberalisation of their trading regimes and seeking to expand into world markets based on convertible currencies. While in most cases this has been a successful strategy, there has been a severe contraction in intra-regional trade between the central European countries themselves.

Attempts to foster intra-regional trade has been hampered, particularly, by the absence of adequate trade finance, the lack of market information and varying trade regimes. Despite efforts to develop cooperation through bilateral trading agreements and subregional arrangements, substantial scope exists for further initiatives.

A cohesive approach is needed to resolve this problem, to foster economic cooperation and to exploit the untapped potential for closer commercial ties. The Regional Coordination Group of the central European countries decided in November 1993 to launch a preparatory study to explore the issues involved and to

identify areas where support could be provided from Phare multi-country programmes. The conclusions of the study were presented to a workshop held in October 1994, attended by senior policy-makers from the central European countries, European Commission representatives and the international funding agencies. It was agreed that the crucial issues of trade policy, finance and information could be more effectively tackled on a multi-country basis, complemented by appropriate actions at national level.

More detailed work has since been undertaken on the problem and this has led to the preparation of the 1995 Phare multi-country programme.

Programme objectives

The overall objectives of the programme are to

- promote closer economic integration between the central European countries through stimulating intra-regional trade
- facilitate the flow of goods and services between the countries
- harmonise trade policies and regimes to make them more compatible with each other and with those of the European Union.

The specific objectives of the programme are to

- develop trade policies between the central European countries so as to facilitate intra-regional trade and to harmonise these policies with the trade regimes of the European Union
- provide adequate trade finance facilities, such as export credit guarantees and payments clearing systems, and overcome major non-tariff trade barriers
- develop a market intelligence network to provide for greater market awareness for exporting companies
- develop local marketing skills.

Programme description

Trade policy ECU 800,000

This component will consist of an initial research and analysis phase to

- analyse existing trade regimes and regulations
- identify trade barriers or potential barriers
- propose options for overcoming problems, in line with GATT/WTO (General Agreement on Tariffs and Trade/World Trade Organisation) regulations, etc.

A series of activities will be funded with the aim of enhancing the capability of the central and eastern European countries to develop their trade policy, for example:

- trade policy fora where policy issues can be discussed and acted upon with the help of experienced policy development practitioners
- training courses and workshops
- small studies to provide input to fora/workshops.

Trade finance ECU 500,000

This component will concentrate on what national trade finance facilities already exist in the central European countries, whether these answer national and supra-national needs adequately and what further enhancement is required to improve the services supplied.

The Bangkok Facility is reviewing operations in the six countries where these exist, with a view to defining exporters' needs and options to meet these needs. Phare will concentrate on the other central European countries, with a view to including these in the selection and implementation of agreed trade finance models.

Support will also be provided in the area of clearing systems. An international clearing system, the Clearing Banking Association, already exists to accelerate rapid payments clearing and has been supported by Phare multi-disciplinary funding for two years. The system involves six countries and it is expected to expand its activities to the remaining central European countries shortly. The Association is becoming increasingly self-sufficient from service charges and Phare will provide it with a final tranche of ECU 250,000.

Trade information ECU 3.2 million

This component will concentrate on establishing an information exchange system to enable exporters from one country to access up-to-date information easily on markets in the other central European countries through an appropriate home institution. Organisations already existing in each country will be selected as info-centres to collate local market information and exchange it with counterpart organisations in the other countries on an as-needed basis.

Activities will include

- establishing a secretariat to manage the programme, involving institutional coordination, the definition and control of information collection, quality standards and the provision of technical expertise to all participants

- establishing info-centres in an approved institution in each country
- defining the various levels of information needed, including macro-economic data, sector summaries, company profiles, etc.
- gathering and purchasing trade and market information according to identified needs
- training in market research, information systems, distribution and exchange
- acquiring practical experience through fieldwork with local consultants from one country gathering information in other countries.

Implementation

A Programme Coordinating Unit will be based in Bratislava. This will be combined with the trade information secretariat, to ensure ongoing coordination and to reduce overall management costs.

The programme will be managed by the European Commission's services.

Slovenia

Cross-border cooperation programme with Austria

Duration	1995-1999
Amount	ECU 3 million
Implementing authority	Programme Management Unit Ministry of Science and Technology Slovenska Cesta 50 SLO-61000 Ljubljana Tel (+386-61) 131 11 07 Fax (+386-61) 132 94 15 Contact: Mr Tomaz Pogljajen, PMU Director

Main components

Technical support	ECU 260,000
Programme Management Unit	ECU 180,000
Audit	ECU 20,000
Cross-border inventory	ECU 40,000
Networking, awareness raising, animation	ECU 20,000
Economic development	ECU 1,504 million
Stajerski development park	ECU 840,000
Jesnice feasibility study	ECU 40,000
Info-centre BIC	ECU 24,000
Tourist border zone	ECU 450,000
Joint life space	ECU 150,000
Infrastructure and transport	ECU 770,000
Jezersko border crossing	
Human resources	ECU 66,000
Small project fund	
Environment	ECU 400,000
Gornja Radgona	

Background

The Slovene Government attributes great importance to supporting the process of cross-border cooperation between its border regions and the Austrian border regions of Styria and Carinthia. This form of cooperation will help overcome specific development problems associated with the border regions through developing joint potential and creating synergy which will contribute to economic prosperity and job creation. Cross-border

cooperation is also an important mechanism for Slovenia to create closer links with the European Union and prepare for accession as a full member.

The main focus of the programme will be on transport infrastructure, environmental protection and business cooperation. The programme also includes projects designed to develop rural regions, through promoting new economic activities, industrial regeneration, expanding contacts and creating networking in several fields. A small project fund will finance activities in the area of human resources, networking and animation, providing financial resources for activities such as conferences, cooperation between educational institutes, cultural events and exchanges which form part of the reform process and encourage cooperation in other fields.

In addition, to establish a sound analytical and strategic basis for long-term cooperation, a joint cross-border study on development issues will be conducted, linked to several activities relating to networking, animation and training in structural and substantive issues of cooperation.

Commission Regulation N° 1628/94, on cross-border cooperation between the Member States and the central European countries in the framework of the Phare Programme, provides the rules for financing actions of a structural nature in border regions of central European countries sharing a common border with Member States, in harmony with the European Union structural policies and with INTERREG II in particular. Following the entry of Austria into the European Union, the Phare cross-border cooperation programme includes a specific budget line designated for promoting cross-border cooperation between regions of Slovenia adjoining Austria.

The 1995 cross-border cooperation programme will finance actions of a structural nature in border regions of Slovenia sharing a common border with Austria. The programme has been approved by the joint programming and monitoring committee and the selected projects have been subject to a preliminary assessment according to the selection criteria specified in the Multi-annual Indicative Programme. The projects all have sound cross-border impact and are coherent with the measures of the operational programmes related to INTERREG activities on the other side of the border, which have identical priorities.

Phare contribution to total cost	ECU million Phare	ECU million Total cost *
Technical support		
programme management	0.18	
audits, assessments, ad hoc studies	0.02	
cross-border inventory and strategy	0.04	
networking, awareness raising, animation	0.02	
Subtotal	0.26	0.26
Economic development		
developing the Stajerski technology park	0.84	1.24
Jesnice development agency feasibility study	0.04	0.09
support for Podravje business info-centre	0.024	0.03
tourist border zone development	0.45	0.64
detailed farming development work plan	0.15	0.21
Subtotal	1.504	2.212
Infrastructure and transport		
upgrading of Jezersko border crossing	0.77	1.45
Human resources		
small project fund	0.066	0.066
Environment		
Gornja Radgona waste water treatment plant	0.4	0.5
Total	3.00	4.488

* Total co-financing from Phare, Slovene Government and others

Programme objectives

The programme aims to develop cross-border cooperation in the regions of Slovenia which share a common border with Austria, concentrating on the following fields of activity:

- strengthening communication through developing and modernising existing infrastructure and establishing bilateral cooperation networks
- developing new potential for cooperation and using existing potential to develop local communities in the border region with a view to creating synergies
- encouraging activities to protect and manage natural resources in the border region and reduce pollution

- strengthening the friendly relations between the two countries through cooperation in the social and cultural sphere

- supporting the process of integrating Slovenia into the European Union.

The regions which will be eligible for funding are the districts of

- Gorenjska
- Gornja Savinjska
- Koroska
- Podravje
- Pomurje.

Programme description

Technical support ECU 260,000

Programme Management Unit

- programme management, including developing and implementing annual projects

Phare contribution ECU 180,000

- conducting audits, assessments of technical specifications and studies as required

Phare contribution ECU 20,000

- facilitating contacts between the partners in the border region through coordination, animation, networking and other activities, including workshops

Phare contribution ECU 20,000

- preparing a comprehensive cross-border inventory and strategy for the border region with the Austrian partners to provide the basis for the review of the Multi-annual Indicative Programme, including data for multi-annual planning purposes and identification of existing links and potential actors in different areas of cooperation

Phare contribution ECU 40,000

Economic development ECU 1.504 million

Business development

- developing the Stajerski technology park in Maribor, complementing the technology axis of Maribor-Graz, and providing some 250 SMEs with workspace, infrastructure and business services, including training and information activities

Phare contribution ECU 840,000

- feasibility study on establishing a development corporation or agency for the Jesnice region, which is in industrial decline, including an analysis of the

strengths/weaknesses/opportunities/threats of the local economy and the definition of the areas of activity and function of a development body

Phare contribution ECU 40,000

- technical and infrastructural support for the Podravje region information centre for international business cooperation in the Podravje region, providing information services and promoting cross-border contacts for businesses

Phare contribution ECU 24,000

Tourism development ECU 450,000

- connecting the Maribor wine and fruit road to the Styrian wine road

Phare contribution ECU 368,000

- providing links between walks and forest routes on both sides of the border

Phare contribution ECU 10,000

- feasibility study and an action plan on new activities and products for tourism development of the Drava and Mura rivers

Phare contribution ECU 4,000

- developing signposting for the Pohorje mountains as a pilot project for the whole border region

Phare contribution ECU 55,000

- developing links between tourist information centres on both sides of the border

Phare contribution ECU 5,000

- coordination of activities by the Maribor Development Agency and organisation of working groups

Phare contribution ECU 8,000

Rural development and agriculture

- preparing a detailed strengths/weaknesses/opportunities/threats specification and work plan as part of an integrated project (joint life space) to support the development of local farming activities in the border area, with emphasis on improving competitiveness and efficiency, entrepreneurship and new product development, such as agri-tourism

Phare contribution ECU 150,000

Infrastructure and transport ECU 770,000

Border-crossing upgrading

- construction of a new border control building at Jezersko and ancillary works, together with installation of equipment for control and immigration procedures

Human resources ECU 66,000

Small project fund

- support for small projects on training and vocational training or cultural activities, as co-financing for activities/small projects under the INTERREG II programme for the Austrian side, for example for conferences, cooperation between educational institutes, cultural events and exchanges

Environment

ECU 400,000

Waste water treatment

- construction of a combined mechanical/biological waste water treatment plant for Gornja Radgona, including reconstruction of the sewage system and pumping station, construction of a retaining basin, main collector, the mechanical and biological parts of the plant and facilities for sludge treatment

Implementation

A joint programming and monitoring committee, composed of the appropriate authorities from Slovenia and Austria, will play the principal role in assuring overall coordination between the two Governments in the planning and implementation stages of the programme. It will be the principal forum for the joint programming of cross-border activities under Phare and INTERREG II. The committee will undertake joint project selection in the context of the programme and will also monitor and coordinate the implementation of these activities.

The Ministry of Science and Technology will have responsibility for the overall coordination and financial management of the programme. A Programme Management Unit was set up in the Ministry in 1994 to handle the cross-border cooperation programme with Italy and the unit will also coordinate, implement and monitor the programme with Austria; a small extension of the unit will be set up in the border region. The Programme Management Unit will ensure that the programme is developed in line with the priorities of the national and local authorities. The programme will be implemented in close cooperation with the line ministries which are responsible for the priorities and measures selected in the programme.

